Quilter plc Group Solvency and Financial Condition Report 2024

Contents

Solvency and Financial Condition Report overview

The Solvency and Financial Condition Report ("SFCR") provides detailed information on the Quilter plc Group's capital position on the basis of the Solvency II capital regime as it applies in the United Kingdom ("UK Solvency II"). This report also includes detailed entity-level information on the Group's UK insurance undertaking: Quilter Life & Pensions Limited ("QLPL").

The structure of this SFCR is aligned with the requirements of the UK Solvency II rules:

A **Business and performance:** Describes the nature of our business and legal structure and how the business performed during the year ended 31 December 2024, with a specific focus on insurance activities.

B **System of governance**: Describes the governance model that has been established at Board level and how this is cascaded to key functions within the business. The section also outlines our approach to risk management and internal controls.

C **Risk profile:** Describes the risks faced by Quilter plc and subsidiary businesses including underwriting risk, market risk and credit risk, with specific information provided on the profile of regulatory capital held for the insurance businesses.

D **Valuation for solvency purposes:** Describes the consolidation approach and methods used to determine the regulatory balance sheet, including the calculation of insurance technical provisions for the consolidated insurance Group.

E **Capital management:** Describes the components of available own funds that are eligible to cover regulatory capital requirements and provides information on the composition of regulatory capital and how regulatory capital requirements are calculated.

The Quantitative Reporting Templates ("QRTs") included in the appendices to this report include additional information relevant to the capital position of the Group and QLPL in a standardised format.

Report of the external independent auditors to the Directors of Quilter plc ('the Company') pursuant to Rule 4.1 (2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms

Report on the Audit of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report

Opinion

Except as stated below, we have audited the following documents prepared by the Company as at 31 December 2024:

- The 'Valuation for solvency purposes' and 'Capital management' sections of the Single Group-Wide Solvency and Financial Condition Report of the Company as at 31 December 2024, (**'the Narrative Disclosures subject to audit'**);
- Group templates IR.02.01.02, IR.23.01.04, IR.25.04.22 and IR.32.01.22 ('**the Group Templates subject to audit**'); and
- Solo templates IR.02.01.02, IR.12.01.02, IR.23.01.01, IR.25.04.21 and IR.28.01.01 in respect of Quilter Life & Pensions Limited ('**the Solo Templates subject to audit'**)

The Narrative Disclosures subject to audit, the Group Templates subject to audit and the Solo Templates subject to audit are collectively referred to as the **'relevant elements of the Single Group-Wide Solvency and Financial Condition Report'**.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the **Other Information** which comprises:

- The 'Summary', 'Business and performance', 'System of governance' and 'Risk profile' elements of the Single Group-Wide Solvency and Financial Condition Report;
- Group templates IR.05.02.01 and IR.05.03.02 and Solo templates IR.05.02.01 and IR.05.03.02;
- The written acknowledgement by management of their responsibilities, including for the preparation of the Single Group-Wide Solvency and Financial Condition Report **('the Responsibility Statement'**); and
- Information which pertains to an undertaking that is not a UK Solvency II firm and has been prepared in accordance with PRA Rules other than the Reporting Part of the PRA Rulebook or UK law other than law deriving from FSMA that applies to the UK Solvency II firms **('the sectoral information'**) as identified in the Appendix to this report.

To the extent the information subject to audit in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report of the Company as at 31 December 2024 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules, as modified by relevant supervisory modifications.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Single Group-Wide Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- We obtained the Directors' updated going concern assessment and challenged the rationale for assumptions on growth of assets under management/administration and asset returns using our knowledge of Quilter plc's (the "Group's") business performance, and corroborating to external market evidence where available. Our assessment included reviewing management's stress testing and scenario analyses.
- We obtained management's estimated Solvency capital position and evaluated this for consistency of available information and against management's own target capital ratios. We found that the Group maintained internal targets for its Group Solvency Capital Requirement (SCR) ratio, and is forecast to remain compliant with all external regulatory capital requirements for the period covered by the going concern assessment.

We confirmed compliance with the debt covenants of the Groups' borrowings, and the forecast continued compliance for the duration of the period covered by the going concern assessment. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date on which the Single Group-Wide Solvency and Financial Condition Report is authorised for issue.

In auditing the Single Group-Wide Solvency and Financial Condition Report, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Single Group-Wide Solvency and Financial Condition Report is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Valuation for solvency purposes' and 'Capital management' and A.1.2 Basis of preparation of the Single Group-Wide Solvency and Financial Condition Report, which describe the basis of accounting. The Single Group-Wide Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules, and therefore in accordance with a special purpose financial reporting framework. The Single Group-Wide Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Single Group-Wide Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Single Group-Wide Solvency and Financial Condition Report does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Single Group-Wide Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Single Group-Wide Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Single Group-Wide Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Single Group-Wide Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA Rules which have been modified by the modifications made by the PRA under section 138A of FSMA and the PRA Rules, as detailed below:

List of modifications, permissions and determinations:

- Permission to publish a Single Group-wide SFCR
- Permission to exclude Quilter Insurance Company Limited from the scope of Solvency II group supervision

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Single Group-Wide Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the information subject to audit in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Single Group-Wide Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Single Group-Wide Solvency and Financial Condition Report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group members, Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) and unsuitable or prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the Single Group-Wide Solvency and Financial Condition Report. We also considered those laws and regulations that have a direct impact on the Single Group-Wide Solvency and Financial Condition Report such as the PRA rulebook. We evaluated management's incentives and opportunities for fraudulent manipulation of the Single

Group-Wide Solvency and Financial Condition Report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to own funds, and management bias in accounting estimates and judgemental areas for example the technical provisions and Solvency Capital Requirement. Audit procedures performed included:

- Discussions with the Board, management, internal audit, management involved in the risk and compliance functions and the Group's legal function, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Reviewing correspondence between the Group and the PRA, the FCA and HMRC in relation to compliance with laws and regulations.
- Assessment of matters reported on the Group's whistleblowing register including the quality and results of management's investigation of such matters.
- Reviewing Board minutes as well as relevant meeting minutes, including those of the Board Audit Committee, Board Remuneration Committee, and the Board Risk Committee.
- Reviewing data regarding policyholder complaints, the Group's register of litigation and claims, internal audit reports, and compliance reports in so far as they related to non-compliance with laws and regulations and fraud.
- Challenging assumptions made by management in accounting estimates and judgements, in particular in relation to the technical provisions recognised.
- Identifying and testing journal entries, in particular any journal entries posted in adjusting the IFRS balance sheet to calculate the Solvency II balance sheet, which may be indicative of the overstatement or manipulation of own funds.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the Single Group-Wide Solvency and Financial Condition Report. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for the Board of Directors of the Company in accordance with External Audit rule 2.1 of the Solvency II firms Sector of the PRA Rulebook and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose or to any other party save where expressly agreed by our prior consent in writing.

Report on Other Legal and Regulatory Requirements

Sectoral Information

In our opinion, in accordance with Rule 4.2 of the External Audit Part of the PRA Rulebook, the sectoral information has been properly compiled in accordance with the relevant PRA rules and UK Law relating to that undertaking from information provided by Group members and the relevant insurance group undertaking.

Other Information

In accordance with Rule 4.1 (3) of the External Audit Part of the PRA Rulebook for Solvency II firms we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of the relevant elements of the Solvency and Financial Condition Report and the audit of the Company's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

The engagement partner on the audit resulting in this independent auditors' report is Mark Pugh.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants

7 More London Place, London

31 March 2025

Appendix – relevant elements of the Single Group-Wide Solvency and Financial Condition Report that are not subject to audit

The relevant elements of the Single Group-Wide Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of Group template IR.23.01.04
    - Rows R0410 to R0440 – Own funds of other financial sectors
- The following elements of Group template IR.25.04.22
    - Rows R0500 to R0530 – Capital requirement for other financial sectors (Non-insurance capital requirements) (forming part of the sectoral information)
- Elements of the Narrative Disclosures subject to audit identified as ‘unaudited’.

Quilter plc Group

Statement of Directors' responsibilities

Year ended 31 December 2024

We acknowledge our responsibility for preparing the Group Solvency and Financial Condition Report of Quilter plc in all material respects in accordance with the Prudential Regulation Authority Rulebook and the Solvency II Regulations.

The Boards are satisfied that to the best of their knowledge and belief:

- *the SFCR has been properly prepared in all material respects in accordance with the PRA rules and Solvency II Regulations; and*
- *throughout the financial year in question, the Group and Quilter Life & Pensions Limited have complied in all material respects with the requirements of the PRA rules and the Solvency II Regulations as applicable; and*
- *it is reasonable to believe that, at the date of the publication of the SFCR, the Group and Quilter Life & Pensions Limited have continued to comply, and will continue to comply in future in all material respects with the requirements of the PRA rules and the Solvency II Regulations as applicable to the Group and Quilter Life & Pensions Limited.*

On 31 March 2025, the Solvency and Financial Condition Report was approved by the Board of Directors of Quilter plc and the information disclosed in this SFCR for Quilter Life & Pensions Limited was approved by the Board of that Company and signed on behalf of their Boards by:

Mark Satchel

Chief Financial Officer

31 March 2025

Summary

About Quilter

Quilter plc (the “Company”), a public limited company incorporated in England and Wales and domiciled in the United Kingdom (“UK”), together with its subsidiaries (collectively, the “Group”) offers investment and wealth management services, long-term savings and financial advice primarily in the UK.

About this report

This Group SFCR has been prepared in line with the requirements of the UK Solvency II capital regime, to help Quilter’s customers and other stakeholders to understand the nature of the business, how the business is managed, and its capital position.

This is a single Group SFCR that incorporates consolidated information at the level of the Group, and company-level information for its UK insurance subsidiary: Quilter Life & Pensions Limited. This report is prepared in accordance with a rulebook modification (Direction reference: 00005438) granted by the Prudential Regulation Authority. At 31 December 2024, the Group had one other insurance subsidiary: Quilter Insurance Company Limited. Quilter Insurance Company Limited is based in the Isle of Man, is not subject to UK Solvency II at company level and is not included in the scope of Group supervision due to a PRA waiver (Direction reference: 00007846).

The Group SFCRs for previous years remain available on the Quilter plc website: plc.quilter.com.

Business and performance

Section A of this report contains information on the Group’s structure, operations and financial performance during the year.

The Group’s strategy is focused on achieving good customer outcomes, and growing our business proposition, delivering these from an efficient operating base all of which are managed within a prudent risk framework.

Adjusted profit is an alternative performance measure used by Quilter as a measure of the Group’s profitability after excluding certain one-off items that is used for management decision making and internal performance management. Adjusted profit before tax for 2024 increased by 17% to £196 million (2023: £167 million), reflecting higher investment returns on shareholder funds together with strong cost management.

System of governance

The system of governance is the Group’s overall framework of policies, standards and practices which is in place to meet the requirements of sound risk-based management. The framework is set out in the Group Governance Manual which is reviewed on an annual basis, or whenever there is a material change in the business which requires a change to the system of governance.

Risk profile

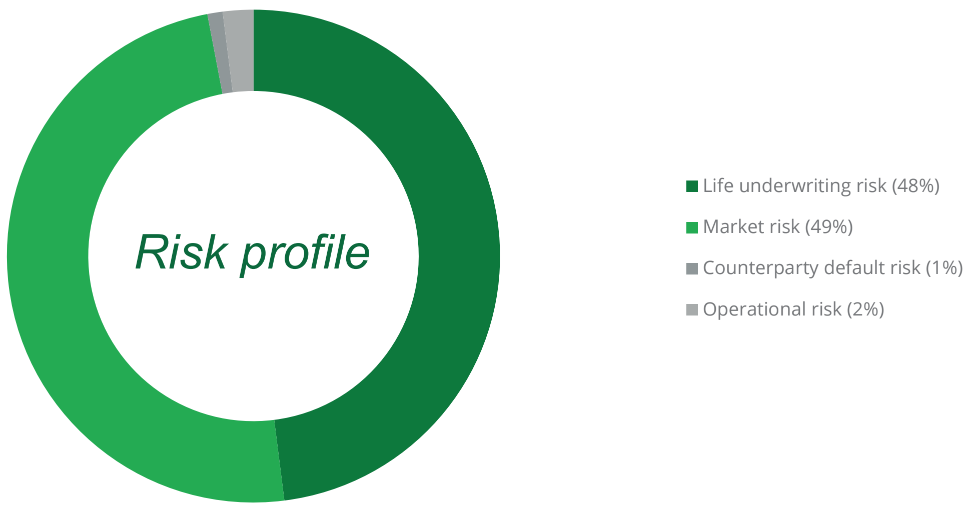
The Quilter plc Board has carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity, as well as those risks that are non-financial in nature. The principal risks are set out in the Quilter plc 2024 Annual Report.

The Group has adopted the Standard Formula specified in UK Solvency II legislation to assess the capital risks within Quilter. The Group uses the Standard Formula to calculate the Group solvency capital requirement, reflecting the Group’s capital risk profile covering life underwriting, market, credit and operational risks.

Capital risk profile

Based on the Standard Formula, the Group had a solvency capital requirement of £715 million at 31 December 2024 (2023: £568 million). This figure includes an element related to the capital requirements of non-insurance entities.

The chart below sets out the capital risk components for the Quilter insurance business.



Summary of Quilter risk profile 2024

Valuation for solvency purposes

Quilter plc uses method 1, the default method under the UK Solvency II rules, to prepare the Group solvency balance sheet. There have been no material changes in the valuation methods used by the Group during the year.

Assets and liabilities, including those relating to unit-linked insurance business, are valued in the Group's solvency balance sheet in accordance with the UK Solvency II rules and guidance. The solvency valuation rules are based on the principle that assets and liabilities should be valued at fair value. Fair value is essentially the amount that a knowledgeable and willing third party would be willing to pay in an arm's length transaction. The majority of the Group's assets are valued based on quoted market prices for those assets or other observable data from active markets.

Section D of this report provides further information on methods and assumptions used in the valuation of assets, technical provisions and other liabilities and an explanation of the main differences between the International Financial Reporting Standards ("IFRS") basis of valuation used to prepare the Annual Report and the solvency valuation rules.

Capital management

The Group operates a robust capital management framework to ensure the optimisation of the balance between policyholder protection and shareholder expectations. The Group Capital Management Policy is closely linked to risk management objectives. It covers the determination of capital requirements and own funds, capital planning processes, stress and scenario testing and capital monitoring and performance.

At 31 December 2024, the Group had total eligible own funds to meet the solvency capital requirement of £1,566 million (2023: £1,540 million). The eligible own funds have increased in 2024, driven by positive net client cash flow and positive market growth, partly offset by the impact of Ongoing Advice Review and costs relating to acquisitions, business transformation and financing.

The total eligible own funds included £1,366 million of unrestricted Tier 1 capital resources and £200 million Tier 2 capital, which consisted entirely of Quilter plc subordinated liabilities. The Group SCR, which is calculated based on the Standard Formula, was £715 million (2023: £568 million). The overall Group surplus position was £851 million (2023: £972 million) with a solvency coverage ratio of 219% (2023: 271%).

At 31 December 2024, the Group's minimum consolidated group solvency capital requirement was £202 million (2023: £137 million). The total eligible own funds to meet the Group's minimum consolidated group solvency capital requirement was £865 million, which consisted of £825 million of unrestricted Tier 1 capital and £40 million of Tier 2 capital, after excluding the own funds from other financial sector and after allowing for the Tier 2 eligibility restriction.

Throughout 2024, the Group has complied with the regulatory capital requirements that apply at a consolidated level and Quilter's insurance undertakings and investment firms have complied with the regulatory capital requirements that apply at entity level.

Section A. Business and performance

A.1 Business

A.1.1 Name and legal form

Quilter plc, a public limited company incorporated in England and Wales (No. 06404270) and domiciled in the United Kingdom, is listed on the London and the Johannesburg Stock Exchanges.

Quilter plc's registered office is Senator House, 85 Queen Victoria Street, London, EC4V 4AB, United Kingdom.

A.1.2 Basis of preparation

The Quilter plc Group Solvency and Financial Condition Report covers the year to 31 December 2024. This report has been prepared in accordance with UK Solvency II, and is therefore based on the PRA rules, policy material, reporting and disclosure templates and instructions that replaced Solvency II assimilated law on 31 December 2024 following PRA's Solvency II reforms and restatement of rules post Brexit.

The Group's reporting currency for both IFRS and UK Solvency II is pounds sterling (GBP). The QRTs in appendix F.2 of this report are presented in £000s. Figures presented in the tables contained within this report may not add up exactly to the totals and subtotals presented due to rounding. Changes in the Group solvency ratio are presented in absolute terms as the ratio at the end of the period less the ratio at the start of the period.

The majority of the financial information in sections A.2, A.3 and A.4 of this report is taken from the Quilter plc 2024 financial statements which are prepared on an IFRS basis. The Group's 2024 IFRS financial statements were approved by the Board of Quilter plc on 5 March 2025 and form part of the Quilter plc 2024 Annual Report which is published on the Group's website (plc.quilter.com).

Adjusted profit is an alternative performance measure used in the Quilter plc 2024 Annual Report to measure profitability. Adjusted profit represents the Group's IFRS profit, adjusted for specific items that management consider to be outside of the Group's normal operations or one-off in nature. Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the IFRS statement of comprehensive income but is instead intended to provide additional comparability and understanding of the financial results. Adjusted profit excludes significant costs or income that is non-operating or one-off in nature. A reconciliation of adjusted profit before tax to IFRS profit after tax is presented in note 7(a) of the Quilter plc 2024 Annual Report.

A.1.3 Supervisory authorities

For the UK Solvency II regime, the Group's supervisor is the Prudential Regulation Authority ("PRA"). The PRA is part of the Bank of England. The contact details for the PRA are as follows:

Address: 20 Moorgate, London, EC2R 6DA, United Kingdom
Telephone number: +44(0)20 3461 7000

The Group is also subject to consolidated supervision by the UK Financial Conduct Authority ("FCA") under the UK Investment Firms Prudential Regime ("IFPR"). The contact details for the FCA are as follows:

Address: 12 Endeavour Square, London, E20 1JN, United Kingdom
Telephone number: +44(0)20 7066 1000

The Group's UK insurance subsidiary Quilter Life & Pensions Limited is regulated by the FCA and the PRA at solo level.

A.1.4 External auditor

The Group's external auditor is PricewaterhouseCoopers LLP. The contact details for PricewaterhouseCoopers LLP are as follows:

Address: 7 More London Riverside, London, SE1 2RT, United Kingdom
Telephone number: +44(0)20 7583 5000

PricewaterhouseCoopers LLP also acts as the external auditor of Quilter Life & Pensions Limited.

A.1.5 Ownership of the Group

The table below shows holdings of 10% or above at 31 December 2024, as disclosed to Quilter plc in accordance with the FCA's Disclosure Guidance and Transparency Rules sourcebook.

Name of shareholder	Number of Quilter shares	% interest in voting rights attached to issued shares[1]	Nature of holding notified
Coronation Asset Management (Pty) Limited[2]	252,571,433	17.98	Direct holding in Ordinary Shares
Public Investment Corporation of the Republic of South Africa[3]	206,425,328	14.70	Direct holding in Ordinary Shares

[1]The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules sourcebook.

[2]Coronation Asset Management (Pty) Limited is a subsidiary of Coronation Fund Managers Ltd, a company incorporated in South Africa and listed on the Johannesburg Stock Exchange.

[3]Public Investment Corporation of the Republic of South Africa is an asset management firm wholly owned by the Government of the Republic of South Africa.

A.1.6 Material lines of business and geographical areas

The Group offers investment and wealth management services, long-term savings, and financial advice primarily in the UK with a presence in a number of cross-border markets.

The material line of business of the Group's insurance undertakings is index-linked and unit-linked life business. The material geographical area where the Group carried out insurance business during 2024 is the United Kingdom.

A.1.7 Operating segments

The Group's operating segments comprise Affluent and High Net Worth, which is consistent with the manner in which the Group is structured and managed.

Segment	Description
Affluent	This segment comprises Quilter Investment Platform, Quilter Investors and Quilter Financial Planning.
High Net Worth	This segment comprises Quilter Cheviot and Quilter Cheviot Financial Planning.[1]

[1] Formerly known as Quilter Private Client Advisers.

In addition to the Group's two operating segments, Head Office comprises the investment return on centrally held assets, central support function expenses, central core structural borrowings and certain tax balances.

Further information on the Group's segments is contained in note 8(a) to the Quilter plc 2024 Annual Report.

A.1.8 Scope of the Group

A complete list of the undertakings within the scope of the Group is contained in the IR.32.01 QRT in Appendix F.2.2. Some of the undertakings listed in the IR.32.01 QRT are investment funds in which the Group holds interests as part of its unit-linked business based on the investment choices of its clients. These funds may not be regarded as part of the Quilter plc Group for other purposes.

The scope of the Group for the Group solvency calculation under Solvency II is the same in all material respects as the scope of the Group for the purposes of the Quilter plc consolidated financial statements.

A.1.9 Material related undertakings

Quilter plc is the ultimate holding company of the Group. The principal subsidiaries of Quilter plc at 31 December 2024 are listed below.

Name	Nature of business	Quilter's holding[1]
United Kingdom		
Quilter Holdings Limited	Holding company	100%
Quilter UK Holding Limited	Holding company	100%
Quilter Life & Pensions Limited	Life assurance	100%
Quilter Investment Platform Limited	Savings and investments	100%
Quilter Investors Limited	Multi-asset business	100%
Quilter Cheviot Limited	Investment management	100%
Quilter Financial Planning Limited	Holding company for financial advice business	100%
Quilter Business Services Limited	Management services	100%

[1]The percentage held reflects Quilter plc's (direct or indirect) holding in each company's capital and voting rights.

A.1.10 Branches

Insurance undertakings

None of the Group's insurance undertakings have foreign branches.

Asset management and advice businesses

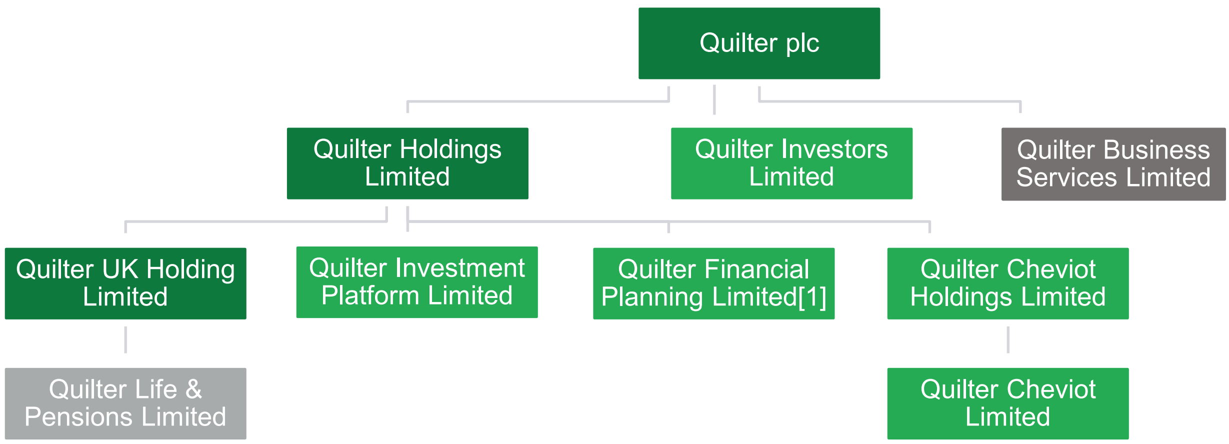
Quilter Cheviot Limited provides investment management services through a branch in the United Arab Emirates.

Other branches

The Group has no other material branches.

A.1.11 Simplified group structure

A simplified group structure chart for the Group as at 31 December 2024 is provided below. For each subsidiary company shown, the Group's ownership percentage is 100%.



[1] Quilter Financial Planning Limited is the parent company for the Quilter Financial Planning business that provides financial planning and mortgage advice.

Key

- Insurance holding companies and mixed financial holding companies
- Insurance companies
- Asset management and advisory companies and the related holding companies
- Service company

A.1.12 Significant events

Significant events during the year to 31 December 2024 and significant events subsequent to that date are summarised below. Further information on significant changes in the year is contained in note 4 to the Quilter plc 2024 Annual Report.

Changes to UK Solvency II

The PRA published PRA rules, policy material, reporting and disclosure templates and instructions that replaced Solvency II assimilated law which was revoked by the UK Government on 31 December 2024. The new rules are reflected in the capital position for December 2024 presented in this report.

Final Dividend

In March 2025, the Group announced the proposed Final Dividend payment to shareholders amounting to £57 million in total. Information on dividends paid by Quilter plc to its shareholders can be found in note 13 to the Quilter plc 2024 Annual Report.

Ongoing Advice Review

Based on the results to date of the Skilled Person Review together with other evidence available, the Group considers that a customer remediation exercise in relation to ongoing advice will likely be required to consider cases where the customer has been charged for ongoing advice services, and the adviser is unable to satisfactorily evidence the provision of those services. As such, a present obligation exists and a provision of £76 million has been recognised at 31 December 2024 relating to potential remediation following the review of the delivery of ongoing advice services by the Appointed Representative firms in the Quilter Financial Planning network. Please refer to note 1, note 4 and note 30 to the Quilter plc 2024 Annual Report for more information.

A.2 Underwriting performance

The Group's life insurance business is unit-linked with no significant life protection business. The Group has no general insurance business except for certain intragroup professional indemnity insurance contracts offered by its Isle of Man captive, Quilter Insurance Company Limited. Quilter Insurance Company Limited was closed to new business on 30 June 2022.

The Life income and expenditure Group QRT (IR.05.03) in Appendix F.2.2 provides further information on key elements of underwriting performance. Section C.1 of this report provides information on underwriting risk.

A.3 Investment performance

A.3.1 Income and expenses arising from investments

The Group's insurance business is unit-linked. Increases and decreases in the value of assets covering unit-linked liabilities are matched by corresponding changes in unit-linked liabilities and accordingly there is no first-order impact on profitability. Investment performance has a second-order impact on the profitability of the Group's unit-linked business because higher asset values result in increased income from asset management charges. Similarly, lower asset values result in reduced income from asset management charges.

Information about the investment return from the Group's investing activities, including assets held to cover unit-linked liabilities and shareholder assets is contained in note 9 to the Quilter plc 2024 Annual Report.

A.3.2 Gains and losses recognised directly in equity

The majority of the Group's financial assets and liabilities are measured at fair value through profit or loss in the Group's IFRS financial statements. Certain items, such as exchange gains and losses on translation of foreign operations, are recognised within other comprehensive income or expense. Other comprehensive expense was £1 million in 2024 (2023: £nil). For further information, please refer to Consolidated statement of changes in equity in the Quilter plc 2024 Annual Report.

A.3.3 Investments in securitisations

The Group did not invest in securitisations during 2024.

A.4 Performance of other activities

A.4.1 Other material income and expenses

Information about the income and expenses of the Group is contained in the Consolidated statement of comprehensive income in the Quilter plc 2024 Annual Report. Further information relating to revenue other than investment return is contained in note 8(b) to the Quilter plc 2024 Annual Report.

Further information on the following categories of expenditure can be found in the notes to the Consolidated statement of comprehensive income within the Quilter plc 2024 Annual Report:

- fee and commission expenses, and other acquisition costs: note 10(a);
- other operating and administrative expenses: note 10(b);
- staff costs and other employee-related costs: note 10(c);
- finance costs: note 10(e); and
- taxation: note 11.

A.4.2 Lease arrangements

Quilter as lessor

In June 2023, the Group entered into a contract to sublet a property to a tenant under an operating lease with rentals payable monthly. The sublet relates to one floor of a leased property which has a useful economic life of eleven years. There is a break clause in the sublease agreement after five years and the Group cannot reasonably expect the tenant to continue to lease beyond 2028. More information on the lease can be found in note 16 to the Quilter plc 2024 Annual Report. The Group had no other material lease arrangements during 2024 as lessor.

Quilter as lessee

The Group currently has finance lease commitments of varying durations for the rental of a number of office buildings. The Group has no material operating leases. Notes 15 and 32(b) to the Quilter plc 2024 Annual Report contain further information on lease arrangements.

A.5 Any other information

No other information on Quilter's business and performance was considered sufficiently material to require disclosure in this section.

Section B. System of governance

B.1 General information on the system of governance

B.1.1 Introduction to the system of governance and the governing body

The system of governance is the Group's overall framework of policies, standards and practices which is in place to meet the requirements of sound risk-based management. The framework is set out in the Group Governance Manual ("GGM") which is reviewed on an annual basis, or whenever there is a material change in the business which requires a change to the system of governance.

Section B of this document contains further information on Quilter's system of governance and its structure, in particular:

- the role of the Quilter plc Board and its Committees together with information on the Board of Directors;
- Quilter's key functions including the Actuarial function and the Internal Audit function;
- principles used in assessing fitness and propriety of key functions and the Board of Directors;
- remuneration policy;
- overview of the risk management and internal control system; and
- information on the Group's use of outsourced services.

Quilter's governing body is the Quilter plc Board which acts through meetings of the whole Board and through Board Committees.

B.1.2 The Quilter plc Board

Role and responsibilities of the Quilter plc Board

The Quilter plc Board is accountable for the long-term success of the Group for the benefit of its shareholders as a whole and for providing leadership within a framework of effective risk management and control. The Board is responsible for setting strategic priorities and for ensuring that the Group is suitably resourced to achieve those priorities. In doing so, the Board has regard to its responsibilities to the Group's stakeholders, including advisers, colleagues, communities in which the Group operates, customers, investors and regulators. The Board may exercise all powers conferred on it by Quilter plc's Articles of Association and the Companies Act 2006.

Quilter plc Board Membership

In accordance with the UK Corporate Governance Code 2018 ("the Code"), at least half of the Quilter plc Board (excluding the Chair) is comprised of independent Non-executive Directors who are determined by the Board (and with reference to the Code) to be independent in character and judgement and free from any business, or other relationship, which could materially interfere with the exercise of their judgement. The Board comprises a mix of individuals that ensures an appropriate range of skills, knowledge, views and experience. The Board Corporate Governance and Nominations Committee scrutinises the balance of this mix of skills and experience and makes recommendations to the Board on composition as appropriate.

The Board maintains plans for succession to positions on the Board and senior management.

Further information on the roles and responsibilities of individual Board members can be found on pages 46 to 48 of the Quilter plc 2024 Annual Report.

B.1.3 Delegation by the Quilter plc Board

The Quilter plc Board has delegated authority to a number of Board Committees, which assist the Board in delivering its responsibilities and ensuring that there is appropriate, independent oversight of internal control and risk management.

The Board has delegated the day-to-day running of the Group to the Quilter Chief Executive Officer ("CEO"). The CEO and Chief Financial Officer (Executive Directors) make and implement operational decisions to manage the Quilter business. To support the CEO in discharging his responsibilities, he is supported by the Group Executive Committee. The Group Executive Committee members report to the CEO for their respective areas of responsibility and delivery of the Business Plan and Operating Plan. Where appropriate, members of the Group Executive Committee choose to discharge their responsibilities via management committees. The key management committees oversee specific areas of responsibility such as the Group's risk management, operations, customers and colleagues.

B.1.4 Quilter plc Board Committees

The Quilter plc Board has established the following committees as the principal standing Committees of the Board. The table below shows the main responsibilities and membership of each Committee.

Committee	Roles and responsibilities	Membership
Board Audit Committee	The responsibilities of the Board Audit Committee are to: – review the Group's accounting policies and the contents of financial reports; – monitor disclosure, controls and procedures; – consider the adequacy, scope and reporting of the external and internal audit functions; – oversee the relationship with our external auditors; and – monitor the effectiveness of internal financial controls.	The membership of the Board Audit Committee comprises a minimum of three independent Non-executive Directors, at least one of whom is also a member of the Board Risk Committee. The Chair of the Board may not be a member. At least one member shall have recent and relevant financial experience and competence in accounting and/or auditing. The Committee as a whole shall have competence relevant to the sector in which Quilter operates.
Board Remuneration Committee	The responsibilities of the Board Remuneration Committee are to: – set the overarching principles and parameters of remuneration policy across Quilter; – consider and approve remuneration arrangements for Executive Directors, senior executives and the Company Chair; – consider the impact of risk matters on remuneration; – approve individual remuneration rewards; and – agree changes to senior executive incentive plans.	The membership of the Board Remuneration Committee comprises a minimum of three independent Non-executive Directors. The Chair of the Board may be a member as long as they were deemed to be independent on appointment.
Board Risk Committee	The responsibilities of the Board Risk Committee are to: – oversee risk strategy; – recommend the total level of risk Quilter is prepared to take (risk appetite); – monitor the Group's risk profile; – assess the top and emerging risks; – monitor and review the internal control framework; and – oversee the effectiveness of the Risk and Compliance function.	The membership of the Board Risk Committee comprises a minimum of three independent Non-executive Directors. The Chair of the Board may not be a member. The Committee must include members who have experience with regard to risk management issues and practices. There is some cross-membership between the Board Risk Committee and Board Audit Committee with, typically, the Chair of one of the Committees serving as a member of the other. This cross-membership facilitates an effective linkage between both Committees, ensuring that risk and control matters relevant to the responsibilities of the Board Audit Committee are referred to the Board Risk Committee.
Board Corporate Governance and Nominations Committee	The responsibilities of the Board Corporate Governance and Nominations Committee are to: – review the composition of the Board and recommend the appointment of new Directors; – consider succession plans for the Chair and other Board positions; – consider succession plans for key executive leadership positions and ensure a robust recruitment framework; – monitor corporate governance standards and practices in place; and – oversee the annual Board performance review.	The membership of the Board Corporate Governance and Nominations Committee comprises the Chair of the Board and not less than three members, including the Chair, a majority of whom shall be independent Non-executive Directors. In principle, the membership comprises the Chair, Senior Independent Director and Chairs of the standing Board Committees.

The Terms of Reference for each of these Board Committees is published on the Quilter website at plc.quilter.com.

B.1.5 Management forums, including the Quilter Executive Committee

Management forums

Quilter has several management committees which have delegated authority from the Quilter CEO and his direct reports. This authority is documented within the relevant forum's terms of reference. A management forum is distinct from a Board Committee, which has its authority delegated to it by the Board. Even where decisions are taken collectively in a management forum, the individual forum members retain personal accountability for their own contribution.

Quilter Group Executive Committee

The Executive Committee supports the Quilter CEO in discharging his responsibilities for the management of the Group and, as at 31 December 2024, comprised the following:

- Quilter CEO;
- Chief Financial Officer ("CFO");
- Chief Operating Officer ("COO");
- Chief Risk Officer ("CRO");
- Chief Distribution Officer ("CDO");

- Human Resources Director;
- Director of Strategy and Transformation;
- Quilter Cheviot and Quilter Cheviot Financial Planning CEO; and
- Chief Investment Officer ("CIO") and Managing Director, Quilter Investors.

More information about the broader Quilter leadership team is provided on the website at plc.quilter.com.

B.1.6 Relationship between Quilter plc and its subsidiaries

The GGM specifies those matters affecting the businesses which require prior Quilter plc approval and those which require notification only. The Quilter CEO specifies, in his capacity as the shareholder representative through the GGM, those matters in respect of which he or members of the Group Executive Committee require information in order to discharge his duties to Quilter plc. The purpose of these requirements is to ensure that an appropriate level of shareholder control and scrutiny is maintained throughout the Group.

The Subsidiary Governance Manual sets out the minimum standards applied to all Group entities as well as specific additional corporate governance requirements by entity type on a risk basis. This includes Board composition requirements.

B.1.7 Segregation of duties and the three lines of defence

The Quilter governance model is designed to promote transparency, accountability and consistency through the clear identification of roles, the separation of business management and governance and control structures, and by tracking performance against accountabilities. The segregation of risk-taking oversight and assurance is codified in Quilter's three lines of defence model which ensures clear accountability and ownership for risk and controls.

The responsibilities of each line of defence are outlined below:

First Line of Defence	Second Line of Defence	Third Line of Defence
Risk Origination, Ownership and Management – all employees The primary responsibility for risk management lies with business management and all employees, who are responsible for managing risk as part of their day-to-day activities. They are responsible for identifying and evaluating the significant risks to the business, for designing and operating suitable controls and reporting risks and issues that arise in their areas.	**Risk oversight, challenge and advice – Risk and Compliance functions** The second line responsibilities are to provide risk frameworks and advice to the business. Risk's role also includes reviewing and challenging the business on how well the frameworks, standards and regulatory requirements have been implemented and providing additional insights on the main risks being run, the controls around these and the capital held.	**Assurance – Internal Audit** The third line responsibilities owned by Internal Audit are to provide independent, objective assurance. The scope of Internal Audit's activities encompasses the examination and evaluation of the design adequacy and operating effectiveness of Quilter's system of internal controls and associated risk management processes.
Accountable: 1. Chief Executive Officer, Chief Financial Officer and Chief Operating Officer. 2. Executive Management. 3. Actuarial Function. 4. All employees.	Accountable: 1. Chief Risk Officer. 2. Risk Management Function. 3. Compliance Function.	Accountable: 1. Chief Internal Auditor. 2. Internal Audit Function.

B.1.8 Key functions

For the purposes of UK Solvency II, the mandatory key functions for the UK Solvency II firms within the Group include Actuarial, Risk Management, Compliance and Internal Audit. Quilter has established these functions at a Group level. Details of the roles and responsibilities of these key functions are provided in sections B.3.2, B.4.2, B.5.1 and B.6 of this report. The Chief Risk Officer has overall responsibility for the Risk Management and Compliance functions and regularly reports on these areas to the Board Risk Committee and the Board Audit Committee, as appropriate. The Chief Risk Officer has direct access to the Chairs of the Board and these Board Committees. The Chief Internal Auditor has overall responsibility for the Internal Audit function and regularly reports on audit activities to the Board Audit Committee. The Chief Internal Auditor has direct access to the Chairs of the Board and the Board Audit Committee. The Capital and Treasury Director has overall responsibility for the Actuarial function and regularly reports on actuarial matters to the Board Audit Committee.

The mandatory key functions within the Group have the appropriate authority, resources and independence to undertake their roles and responsibilities. The plans, including resourcing, for the Internal Audit function and the Risk and Compliance function are presented and approved by the Board Audit Committee and the Board Risk Committee on an annual basis. As stated in the relevant Committee's Terms of Reference, the Board Committees regularly review and monitor the effectiveness, including operational independence where appropriate, of these functions.

B.1.9 Material changes to the system of governance over the reporting period

There have been no material changes to the system of governance over 2024.

B.1.10 Remuneration policy

Introduction

The Quilter governance framework includes a Remuneration Policy that all subsidiaries within the Group are required to comply with. The policy has been designed to discourage risk taking outside of the Group's risk appetite, to be supportive to the Group's strategy, objectives and values including the delivery of good customer outcomes, and to align the interests of employees, shareholders and customers.

The policy is overseen across the Group by the Quilter Board Remuneration Committee.

The Quilter Board Remuneration Committee is a committee of the Quilter Board. Its membership comprises Non-executive Directors of Quilter, which enables it to exercise independent competent judgement in remuneration matters in the context of managing risk, value and capital in line with shareholders' expectations as well as ensuring Quilter's compliance with the relevant regulatory remuneration requirements.

Full details of the Group's Directors' Remuneration Policy are set out in the Quilter plc 2021 Annual Report.

Components of remuneration

Remuneration is made up of fixed pay which includes base pay, pension, employee benefits and non-discretionary allowances and variable pay which includes short-term and long-term performance-related variable pay and, by exception, non-standard variable pay.

The level of fixed pay and variable pay opportunity for all staff is set at a level commensurate with their role, responsibilities, and experience, as well as their ability to influence the business. This is informed by market benchmarking and internal relativities and the balance between each element varies depending on the role. Fixed pay for all staff is set at a market competitive level enabling a fully flexible variable remuneration policy including the ability to pay no variable pay where appropriate.

Variable pay awards

The way that the Quilter bonus pool is determined ensures that the outcome is aligned to specific, measurable and relevant business results in a transparent manner with full consideration of the risk performance of the business.

The main pool structure is designed to share a portion of the value created with employees. It is funded based on performance against key financial metrics including adjusted profit targets and Net Client Cash Flow ("NCCF") targets derived from the Company's Business Plan and approved by the Quilter Board Remuneration Committee. The scheme also includes non-financial metrics covering additional risk, customer, strategic and personal performance objectives that comprise an overall balanced scorecard used to determine bonus pool funding and senior management incentive outcomes.

The Quilter Board Remuneration Committee may exercise its judgement and discretion to apply a risk-based adjustment to the pool and/or individual outcomes based on an assessment of all material current and future risks and the effectiveness of risk culture and the risk management performance of the business, with a focus on customer outcomes. To inform the Quilter Board Remuneration Committee in discharging its responsibilities in this respect, an independent risk report covering both quantitative and qualitative risk measures, as well as an assessment of any material risk events that have crystallised during the year or carried risks that may exceed risk appetite, is prepared by the CRO and considered jointly by the Quilter Board Risk Committee and the Quilter Board Remuneration Committee.

Broader pool allocations are determined based on a bottom up/target framework and reflect relative business performance where appropriate. Each business area and function distributes their final allocation to employees based on relative employee performance against a balanced set of individual objectives and behaviours.

The Group also operates other short-term incentive schemes at a business level, which are structured to incentivise the achievement of annual financial and non-financial performance objectives including risk and conduct, and to align reward to customer and shareholder outcomes as appropriate. Business plans against which performance objectives are set and measured are market appropriate. Control function employees are assessed against role-specific performance objectives which are substantially independent of the financial performance of the business.

Long-term incentive awards are intended to align senior management and shareholder interests and support the creation of long-term, sustainable shareholder value. Members of the Group's executive management (excluding the Group CRO) may receive an award in the form of nil-cost options over Quilter plc shares, subject to three-year performance conditions, which, for awards granted in 2024, were: Earnings per Share, relative Total Shareholder Return, operating margin and Environmental, Social and Governance ("ESG") measures, including carbon emissions reduction and responsible investing. The vesting period is three years from the date of grant with a two-year post-vesting minimum retention period, during which the vested shares are subject to clawback. The extent to which the award vests depends on the achievement of the performance conditions and may be between 0-100% of the award. Other senior management may receive an award of Quilter Restricted Stock Units. The award of Quilter Restricted Stock Units is subject to an assessment prior to grant and during the vesting period to validate that there have been no conduct issues or breaches of Quilter risk management policies. The vesting period is three years from the date of grant and the vested shares are subject to clawback for a further period of two years from the vesting date.

Share-related awards

Share-related awards are subject to malus and clawback provisions, which may be applied if, in the reasonable opinion of the Quilter Board Remuneration Committee, any of the following circumstances apply:

- the results or accounts or consolidated accounts of any company, business or undertaking in which the participant worked or works or for which they were or are directly or indirectly responsible are found to have been materially incorrect or misleading;
- any company, business or undertaking in which the participant worked or works or for which they were or are directly or indirectly responsible is found to have made a loss out of business written, due in whole or in part, to a failure to observe risk management policies in effect at that time;
- the participant has committed an act of gross misconduct or it is discovered that the participant's employment could have been summarily terminated;
- the participant has acted in a way which has damaged, or is likely to damage, the reputation of the Company or any Group member, or has brought, or is likely to bring, the Company or any Group member into disrepute in any way;
- an event or events is likely to occur or has occurred that the Quilter Board Remuneration Committee decides constitutes the corporate failure of the Company and/or any other Group company;
- any other circumstances similar in nature to those described above which the Quilter Board Remuneration Committee considers justifies the application of malus;
- any other circumstance set out in a separate document that is expressed to apply to any particular participant; and
- in the reasonable opinion of the Quilter Board Remuneration Committee, the participant should not have received or be entitled to receive an award.

Additional provisions apply to individuals identified as Material Risk Takers:

- the participant participated in or was responsible for conduct that resulted in significant losses for the Company and/or for any company, business or undertaking in which they worked;
- the failure of the participant to meet appropriate standards of fitness and propriety, in accordance with any regulatory rules or principles, internal policies or reasonable expectations as determined by the Committee in its absolute discretion; and
- the Company or any company, business or undertaking in which the participant worked or works or which they were or are directly responsible has suffered a material downturn in its financial performance which the Committee considers to justify the application of malus or clawback.

Share Plan rules require that awards may not be hedged in any manner (such as by the participant ceding or assigning rights to a third party). The exit conditions applied to share awards are determined by the share award scheme rules.

Supplementary pension and early retirement schemes available to Executive Directors

Executive Directors are eligible to receive employer contributions to the Company's pension plan (which is a defined contribution plan) or a cash allowance in lieu of pension contributions, or a combination of both. Contributions and/or cash alternative are paid monthly to a maximum of 10% of base salary per annum. This is in line with the wider UK workforce.

B.1.11 Material transactions with shareholders, with persons who exercise significant influence over the Group and with members of the governing body

In the normal course of business, the Group enters into transactions with related parties. These are conducted on an arm's length basis and are not material to the Group's results. There were no transactions with related parties during the current or the prior year which had a material effect on the results or financial position of the Group.

Further details of transactions with related parties, including key management personnel during the year can be found in note 40 to the Quilter plc 2024 Annual Report. Information on dividends paid by Quilter plc to its shareholders can be found in note 13 to the Quilter plc 2024 Annual Report.

B.1.12 Assessment of adequacy of the system of governance

The Quilter plc Board is responsible for establishing and maintaining Quilter's system of governance, and for ensuring that it remains adequate for the purpose of embedding sound risk-based management throughout the business.

Our Board Charter sets out the roles, responsibilities and behaviours expected of our Board members. The Charter is published on our website at plc.quilter.com. Board effectiveness is assessed annually.

The Board supplements its ongoing review of the effectiveness of risk management and internal control systems with an annual assessment of the Group. A summary opinion is provided by the Quilter CRO on the effectiveness of risk management and internal control systems within the Group, noting any known areas of weakness and areas for improvement and is based on:

- the design and effectiveness of the Quilter Risk Management Framework;
- an assessment of compliance with the Quilter suite of policies;
- the Group's management of the Group's principal risks relative to Quilter's defined risk appetite, measured using key indicators, and evidenced through ongoing risk reporting to the Quilter Group Executive Risk Management Committee, the Board Risk Committee and the Quilter plc Board;
- a review of material internal control deficiencies identified through assurance activity; and
- an assessment of Quilter's risk culture.

To support this summary opinion, confirmation is required from the Quilter CFO on the effectiveness of Quilter's system of internal control over financial and regulatory reporting.

The Quilter plc Board is satisfied that a robust governance structure is in place, which is compliant with the UK Corporate Governance Code and is fit for purpose.

B.2 Fit and proper requirements

The Fit and Proper Policy outlines the Group's overarching principles for assessing fitness and propriety. Compliance against the Fit and Proper Policy is assessed through the annual year-end Policy Attestation process. The fit and proper requirements set out in this report refer to the requirements applied both to key functions and to members of the Board of Directors.

B.2.1 Overview

Quilter's approach to implementing and embedding processes and procedures to ensure fitness and propriety is described below.

A framework exists for ensuring compliance with the Fit and Proper Policy, which is designed to help ensure that individuals are fit and proper both on recruitment and subsequently. This includes, but is not limited to, policies, standards and codes for personnel security, business conduct, conflicts of interest, anti-bribery and corruption, fraud prevention, information security and physical security.

The roles which are senior manager and control functions (subject to regulatory approval), and those which fall within the definition of key and certification functions are identified and an assessment is performed to determine that each person in such a role fulfils the following requirements:

- they are of good repute and integrity and have sufficient time to perform the role (proper);
- their competence, knowledge and experience are adequate to enable sound and prudent management (fit); and
- they have the relevant qualifications and are undergoing or have undergone all required training.

B.2.2 Determining an individual's fitness and propriety

The approach taken to assessing an individual's fitness and propriety is as follows:

- the selection process is designed to be robust and enable a rigorous assessment of the individual's professional competence, both managerial and technical, relative to the role;
- where appropriate, formal independent assessment tools are used;
- background checks are performed on all individuals being employed or engaged in services prior to their employment/engagement being confirmed;
- the minimum background checks required for all roles are the lesser of three years' (six years for regulated roles) or all employment history, validation of educational and professional qualifications disclosed, financial soundness and criminal records. Additional background checks are considered depending on the level of risk associated with the role. The checks used have been established by the Compliance function and are proportionate to the role and the level of potential risk the role may present;
- further or updated background checks (excluding employment history) are made where an individual is promoted or transferred into a key function role;
- when reviewing the information gathered, consideration is given to the risks associated with the role in question and the wider risks for the business; and
- ongoing annual assessments of fitness and propriety are performed for relevant individuals and those performing key functions, this includes a refresh of background screening checks every third year.

B.3 Risk management system including own risk and solvency assessment

A single Group-wide ORSA is performed for the Group which incorporates QLPL.

The ORSA process is carried out annually and is designed to enable management:

- to understand and manage the key risks to the business;
- to ensure sufficient capital and liquidity is held to withstand these risks; and
- to make informed strategic decisions in response to these risks.

The ORSA process aims to provide a continuous assessment of the current and forward-looking risk profile of the business, and demonstrate the relationship between the business strategy, risk appetite, risk profile and solvency needs.

The ORSA is defined as a set of underlying risk and capital management processes. These processes include:

- defining and monitoring adherence to the risk appetite framework;
- assessing, monitoring and reporting of the material risks to the achievement of the Business Plan;
- determining overall solvency needs, including assessment of the appropriateness of the regulatory Standard Formula;
- forecasting capital and liquidity needs over the three-year business planning period, assessing the resilience of the business to adverse scenarios and identifying management actions to manage capital and liquidity adequacy; and
- reporting of the conclusions of ORSA processes.

Whilst these risk management processes are ongoing throughout the year, an annual ORSA report is produced which provides an overall assessment of the current and future risk profile and solvency of the business.

The ORSA is owned by the Quilter Board. The Board exercises oversight through a number of governance and management committees, through the process of review and challenge throughout the year and by approving the annual ORSA report.

B.3.1 Risk management function

The role and responsibilities of the Risk Management Function are as follows:

- deliver a clear and well-communicated, Group-wide Risk Management Framework;
- provide control and monitoring systems;
- produce second line opinions on key risks facing Quilter for stakeholders;
- support adherence to regulation and legislation;
- provide advice to the business; and
- escalate material issues and risks.

B.3.2 Risk management system overview

The Risk Management Framework ensures a consistent approach to risk management across the Group, aligning strategy, capital, processes, people, technology and knowledge in order to evaluate and manage opportunities, uncertainties and threats in a structured and disciplined manner. In this way, the Risk Management Framework ensures that the risks we face as a business (including financial risks from climate change) are understood and continually managed in line with our risk appetite, as well as helping us to consider capital implications when making strategic and operational decisions.

The Enterprise Risk Management Policy sets out the minimum standards in relation to implementing and maintaining an adequate and effective Risk Management Framework. The Risk Management Framework alongside other policies, contributes to the system of internal control as set out within the GGM. Quilter's Risk Management Framework forms the basis of the approach to assessing the risk as part of the ORSA and the Internal Capital Adequacy and Risk Assessment (ICARA).

The Risk Management Framework encompasses a number of elements, including:

- the corporate governance arrangements which set out the way that the organisation is structured and managed;
- the end-to-end processes involved in the identification, measurement, assessment, management, monitoring and reporting of risk; and
- the culture and behaviour that is exhibited and the associated reward mechanisms.

The most important element to risk management is a good culture of risk-informed decision making. Quilter links risk management to performance and development, as well as to the Quilter remuneration and reward schemes. An open and transparent working environment which encourages employees to embrace risk management and speak up where needed is critical to the achievement of the Group's objectives.

The core elements of the Risk Management Framework are illustrated below:

B.3.3 Risk governance and policies

The Quilter Board bears ultimate responsibility for risk management, including setting risk appetite and approving policies across Quilter. Their responsibility is to ensure the proper functioning of Quilter's risk management activities and set the 'tone at the top' with respect to risk management.

The GGM together with the Quilter Policy suite forms an integral part of Quilter's Governance and Risk Management Framework, ensuring an appropriate system of internal control, including financial, operational and compliance areas. The purpose of the Quilter Policy suite is to ensure appropriate controls are in place in relation to the key risks Quilter faces through:

- establishing the principles by which Quilter oversees and manages key risks and processes within the organisation; and
- providing clear ownership, responsibilities and minimum requirements for the management of risks, including our risk appetite for the risk.

B.3.4 Risk appetite

Quilter's risk appetite describes the amount of risk Quilter is willing to take on in the pursuit of its strategic priorities and is defined by the Quilter Board. Culturally, it sets the tone regarding Quilter's attitude towards risk taking.

Risk appetite statements and supporting key indicators have been developed for the material areas of risk that Quilter is exposed to, as defined by the Quilter risk taxonomy. Qualitative risk appetite statements are defined at Level 1 and Level 2 of the risk taxonomy. This risk appetite approach is applied consistently across Quilter, with Level 1 statements being supported by a series of more granular risk appetite statements and measures at Level 2. Quilter's position against risk appetite is measured on a regular basis through the monitoring of underlying key indicators and reported to the Board. The Board expects management to maintain controls to ensure that risk exposures remain within appetite, or where indicators show Quilter is outside of risk appetite, to put in place actions to reduce exposure to acceptable levels.

Quilter's risk appetite statements for Level 1 risk categories are as follows:

Business Strategy and Performance	We aim to ensure the business pursues sustainable and responsible growth and profitability in line with strategic priorities to enhance shareholder value.
Business Operation	We aim to maintain an appropriately controlled and resilient operating environment, both internally and through our critical outsourced service providers, which is proportionate to the nature, scale and complexity of our business, to ensure good customer outcomes.
Technology and Security	We aim to manage the availability, integrity, functionality and security of our critical business processes, supporting systems and data, both internally and where managed by third parties. We acknowledge that moderately disruptive business or technology/security events will occur but aim to minimise their impact within pre-agreed thresholds designed to protect our customers.
Customer and Product Proposition	We aim to avoid foreseeable harm to clients, reputational issues and financial loss through ensuring that products and services are appropriately designed and maintained. We ensure that our advice proposition and the way that products and services are distributed is aligned to their target market, suitable to customer needs and deliver good customer outcomes.
Regulatory, Tax and Legal	We aim to maintain appropriate relationships with our regulators, comply with all relevant rules and legislation, and adopt a proportionate approach to the interpretation of rules and guidance that reflects the intent of the rules and protects against foreseeable harm to clients, the firm and the wider market.
People	We aim to attract and retain sufficient competent and diverse resource which is aligned to the business strategy. We aim to foster a positive and open culture where staff feel supported and able to speak up.

B.3.5 Risk identification, measurement and assessment

Risks to the delivery of Quilter's strategy and the Business Plan are identified through the annual strategy development and business planning processes. Risk identification is also carried out throughout the business, through regular reviews, and when changes or new products and services are introduced, or a significant internal or external event is experienced, all of which is challenged and overseen by the second line.

The Risk and Control Self-Assessment process supports management in identifying and assessing the business's exposure to the key operational risks arising from business processes, people, systems and external events and to manage those risks appropriately. Where controls are considered to be inadequate or ineffective, management actions are agreed to improve the level of control and to manage those risks appropriately.

B.3.6 Risk management and monitoring

Risks are owned and managed on a day-to-day basis by first line risk owners. The second line Risk function provides oversight and challenge to support the first line in managing risks.

Quilter uses a combination of key risk indicators and operational risk data to measure and manage key risks in line with risk appetite. Risk insight and analytics help us to monitor and act upon changes to the Group's risk profile and inform risk-based decisions. Where the residual risk assessment exceeds our risk appetite and it is not possible to further mitigate the risk, we take appropriate action to either accept, transfer or avoid the risk, or will reassess the risk appetite if appropriate. Remedial action tracking is facilitated and monitored through our risk management system.

Quilter is a long-term business and as such monitors emerging risks which are less certain in terms of timescales and impact. Quilter's emerging risk profile is subject to periodic reviews by management committees and the Quilter Board. The identification of these risks contributes to Quilter's stress and scenario testing, feeding into its strategic planning process.

B.3.7 Stress and scenario testing

Scenario testing is performed to assess the impact of plausible but severe events in order to support management in developing plans to manage such events and to test Quilter's financial resilience relative to its financial risk appetite. The outcomes and management actions identified through our scenario processes are actively used in business planning and in managing the business.

The scenario framework focuses on considering scenarios under the following headings:

- Stress testing: Potential plausible but severe events which could cause a significant impact to the delivery of Quilter's Business Plan.
- Reverse stress testing: Potential extreme events which could cause Quilter's business model to become unviable.
- Operational risk scenarios: Potential operational events which could lead to harm to customers or the firm.

B.3.8 Risk reporting and escalation

Ongoing oversight of Quilter's risk profile and risk management arrangements is undertaken by the Board Risk Committee, with relevant matters also being considered by the Board. The Quilter Group Executive Risk Management Committee is the primary management committee overseeing the risk profile of Quilter. This Committee includes members of the Executive Committee.

On a quarterly basis, the Quilter CRO formally reports to the Board Risk Committee the second line perspective on the risk profile of the firm, performance against risk appetite and a second line perspective on the effectiveness of management responses. Regular monitoring and reporting of risks enable continuous review and challenge of risks and mitigating actions. Risk events with impacts that exceed defined thresholds, whether financial or non-financial, are reported via Quilter's risk system, with appropriate root cause analysis conducted on material events.

B.4 Internal control system

Quilter's system of internal control has a key role in the management of risks that are significant to the fulfilment of its business objectives.

The GGM supports the Quilter Board in fulfilling its internal control obligations by demonstrating the existence of, and compliance with, internal policies and other control mechanisms such as approval processes.

B.4.1 Principles of internal control

Quilter's principles of internal control are:

- Clearly defined delegated authorities – the Group is managed in accordance with the authorities delegated by the Quilter Board.
- Lines of responsibility – each business and function has clearly defined lines of responsibility and delegated authority.
- Robust recording and reporting – transactions are appropriately recorded to permit the preparation and reporting of reliable financial statements.
- Financial and regulatory reporting control procedures and systems – the internal control system should include control procedures and systems which are regularly reviewed.
- Protection of assets – the Group's assets are appropriately safeguarded.
- Financial crime (fraud and money laundering) – financial crime is prevented or detected.
- Risk management – the risks to which the Group is exposed are identified and managed.

The implementation and maintenance of the internal control system in each business is the responsibility of senior management within the business. At Group level, this responsibility rests with the Quilter CEO and the Group function executives.

B.4.2 Compliance function

The role and responsibilities of the Compliance Function are split between two core areas of Compliance Advisory and Compliance Monitoring, with the following setting out a summary of their obligations:

- to provide advice to the Quilter businesses on the legal and regulatory requirements as governed by the Financial Conduct Authority, Prudential Regulation Authority, Central Bank of Ireland, Jersey Financial Services Commission, Guernsey Financial Services Commission, Financial Sector Conduct Authority in South Africa and the Dubai Financial Services Authority and any changes to them and their potential impacts on Quilter;
- to provide advice to the Quilter businesses on the requirements as set out in relevant Data Protection laws and regulations; any changes to them and their potential impacts on Quilter;
- to monitor the adequacy and effectiveness of controls relating to regulatory compliance activities; and
- to provide formal updates to the Quilter Board Risk Committee and other formal governance forums on the outcome of compliance monitoring reviews, in line with the Compliance Monitoring annual plan, together with any other compliance matters that need to be brought to the Committee's attention.

B.5 Internal Audit function

B.5.1 Implementation of the Internal Audit function

Internal Audit operate in compliance with the Global Internal Audit Standards to support the Audit Committee and Executive Management in discharging their roles and responsibilities. The Chief Internal Auditor is responsible for implementing and maintaining an Internal Audit function to support the Board and Executive Management of Quilter in providing independent, objective assurance and advisory activity designed to add value, improve the organisation's operations, and support the delivery of good customer outcomes. It helps Quilter accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes. The scope of Internal Audit's activities extends to all businesses owned, controlled and governed by Quilter, including having the right to audit Quilter's material outsourcers in line with contractual agreements.

Internal Audit, with strict accountability for confidentiality and safeguarding records and information, consistent with the UK General Data Protection Regulation ("GDPR") Act and the EU GDPR Regulation, is authorised full, free and unrestricted access to any and all of the organisation's records, physical properties and personnel pertinent to carrying out an engagement. All employees are required to assist Internal Audit in fulfilling its roles and responsibilities.

Internal Audit is responsible for determining the audit universe and performing its own assessment of risks to determine the risk-based audit plan.

B.5.2 Independence of the Internal Audit function

Internal Audit and the Chief Internal Auditor receive authority from the Quilter Board Audit Committee, which is a committee of the Quilter plc Board established to, among other things:

- review and approve the Internal Audit Charter;
- review and approve the annual audit plan and subsequent material revisions;
- review the output of audit work; and
- evaluate the adequacy and effectiveness of the Group's financial, operating, compliance, and risk management controls.

To provide for the independence of Internal Audit, the Chief Internal Auditor is accountable to the Quilter Board Audit Committee Chair, reports administratively to the Quilter CFO and has access to the Chair of the Quilter Board. Financial independence is provided by the Quilter Audit Committee approving a budget to allow Internal Audit to meet the requirements of the Charter. Internal Audit is functionally independent from the activities audited and the day-to-day internal control processes of the organisation.

Where advisory services are delivered, Internal Audit will manage any perceived or actual conflict of interest. The Internal Audit Leadership Team also reports relevant audit matters to the subsidiary Boards Governance, Audit and Risk Committees or equivalent forums.

B.6 Actuarial function

The Actuarial function ensures that the methodologies, models and assumptions used in the assessment of technical provisions and capital requirements are robust and applied consistently and in proportion to the nature, scale and complexity of the Group and the solo insurance entity QLPL.

Responsibilities of the Actuarial function include:

- ensuring that methodologies and models for the valuation of technical provisions and capital requirements are appropriate;
- overseeing the sufficiency and quality of data used in the valuation of technical provisions and capital requirements;
- reviewing and challenging experience analysis in respect of risk factors and proposed best estimate assumptions;
- reviewing and challenging the valuation of technical provisions including application of approximations;
- reviewing and challenging solvency capital requirement results; and
- expressing an opinion on the overall underwriting policy and the adequacy of reinsurance arrangements.

B.7 Outsourcing

B.7.1 Outsourcing policy

The Third Party Risk Management Policy defines the framework that Quilter and all its subsidiaries must use to manage and monitor all outsourced services. This document suite addresses, through a series of mandated requirements, the risks inherent in the selection, transition to, and use of third parties in all outsourced activities. These documents have a specific focus on the outsourcing arrangements that are considered to be ‘Critical’ or ‘Important’. These arrangements have the potential to materially impact Quilter’s operations, its services, its ability to meet its obligations to customers and its compliance with regulatory requirements, whether at Group level or at subsidiary level.

By following the Group’s policies and standards, the risk of implementing an inadequate service or of the failure of an outsourced service provider is managed through the following controls:

- a formalised approach, including a transparent selection and management process and a due diligence process, to outsourcing services;
- defined governance and oversight structures, practices and processes for the oversight, monitoring and management of risks related to outsourced services;
- regular assessments of whether the supplier continues to have a resilient business; and
- processes and practices to ensure that outsourced services arrangements comply with all applicable regulatory requirements.

All outsourcing and non-outsourcing third-party arrangements are overseen by the Chief Operating Officer who has Senior Management oversight and responsibility for outsourcing.

B.7.2 Critical or important outsourcing arrangements

The firm has assessed whether outsourced activities are ‘Critical’ or ‘Important’ on the basis of the activities being outsourced and dependency of the Group on that service. The assessment determines whether these activities are essential to the operation of the firm and whether the Group would be able to deliver its services to policyholders and customers without this outsourced activity operating.

Once confirmed, each new relationship is submitted for regulatory notification. The risks that may occur through transitioning the service are reviewed along with the risks inherent in the service. In each instance, processes and controls are established to mitigate the risks from the arrangement. Accountable Executives are identified and a robust governance structure is implemented to ensure that the service continues to adhere to the principles outlined in the Third Party Risk Management Policy which are periodically reviewed to ensure they align with any regulatory changes.

Outsourced functions and activities

During 2024, Quilter outsourced a range of operational functions and activities. The nature of critical or important arrangements primarily included fund administration services, application hosting and infrastructure, and wealth and investment transaction services. Material outsourced services were predominantly provided from the UK and Ireland.

B.8 Any other information

No other information on Quilter’s system of governance was considered sufficiently material to require disclosure in this section.

Section C. Risk profile

This section of the report provides information on the key risk exposures of the Group and QLPL which could impact the value of technical provisions and the solvency capital requirement. This includes descriptions of the material risks, the capital held in respect of these risks, risk mitigation techniques and risk concentrations.

The Group uses the Standard Formula specified in UK Solvency II to calculate the Group solvency capital requirement, reflecting the Group's capital risk profile covering underwriting, market, credit and operational risks. These risk exposures, and the Group's liquidity risk exposure, are described in sections C.1 to C.5.

Risk identification

Risk identification is performed regularly through analysis of internal and external risk data, covering both normal and stressed conditions. Sources of information used to identify risks includes risk event data, experience analysis and product information.

Risk measurement and monitoring

Risks are measured through sensitivity testing, stress testing and scenario testing. Risks are monitored using key risk indicators and early warning indicators with defined tolerances.

The Group and QLPL have defined capital and liquidity risk appetites with tolerances expressed as long-term targets, early warning thresholds and limits. These tolerances are set for each of these indicators to support timely management action to manage risk exposures.

Risk mitigation

The Group and QLPL use a range of risk mitigation techniques to reduce and manage risk exposures. These include the use of product structures which limit risk exposure, credit and counterparty risk limits, restrictions on shareholder investments and foreign currency balances and contingency funding plans.

The Quilter capital risk profile

Sections C.1 to C.5 contain specific information on the profile of regulatory capital held for the Group and its insurance business.

Based on the Standard Formula, the Group had an SCR of £715 million at 31 December 2024. Table C.1 below shows the SCR breakdown by risk category (after intra-module diversification) for the Group, including the contribution to the overall Group regulatory capital requirement (Group SCR) for the non-insurance entities.

Risk modules	31 December 2024 £m
Market risk	362
Counterparty default risk	8
Life underwriting risk	353
Total before diversification	**723**
Diversification	(155)
Basic solvency capital requirement	**568**
Operational risk	12
Loss-absorbing capacity of deferred taxes	(129)
Other financial sector entities	264
Group solvency capital requirement	**715**

Table C.1 – Quilter's SCR

The risk profile of Quilter's insurance undertaking reflects the nature of the product offerings, dominated by unit-linked life, pensions and investment business. Key features of these risk exposures are as follows:

- investment risks are largely borne by customers as a result of the use of unit-linked product structures. The Group has second-order market risk exposure on asset-based revenues, which are driven by the assets under management and administration;
- Quilter is generally exposed to loss of future revenue through higher-than-expected surrender experience;
- Quilter does not offer direct investment guarantees or take on complex financial insurance risks (such as pension annuities); and
- insurance risks on policies providing life assurance benefits are not significant.

C.1 Underwriting risk

Life underwriting risk arises through exposure to unfavourable operating experience on unit-linked insurance products. The key underwriting risk exposures for the Group are as follows:

Lapse risk

Lapse risk is the risk that surrender and partial withdrawal experience on unit-linked insurance business is higher than the level assumed in the UK Solvency II valuation of technical provisions.

An increase in surrender or partial withdrawal rates represents a risk to the Group as this would result in lower-than-expected future revenues on insurance business.

Expense risk

Expense risk is the risk that future maintenance expense levels and future expense inflation are higher than assumed in the UK Solvency II valuation. This would result in lower than planned profitability.

Mortality and life catastrophe risks

Mortality risk is the risk that death claims on unit-linked policies which provide life insurance benefits are higher than expected. Life catastrophe risk is the risk of a temporary significant increase in the rate or death claims.

C.1.1 Life underwriting risk profile

Life underwriting risk is measured through the following approaches:

- The capital requirement for each underwriting risk exposure is calculated using the Standard Formula.
- Sensitivity testing is performed in respect of underwriting risks in order to determine the impact of changes in experience on the value of own funds, the SCR and the Group solvency ratio.

The capital requirements for life underwriting risks as at 31 December 2024 are set out in the following table:

Life underwriting risk category	31 December 2024 £m
Mortality	11
Lapse	317
Expense	61
Life catastrophe	1
Subtotal	**390**
Diversification within risk module	(37)
Life underwriting risk SCR	**353**

Table C1.1 – Quilter's life underwriting risk SCR

The capital requirements for these risks represent potential losses due to extreme adverse scenarios which would arise approximately once in every 200 years.

C.1.2 Life underwriting risk mitigation

The Group manages each of the following life underwriting risks as outlined below:

Lapse risk

Lapse risk is a feature of the Group's insurance business and is managed through product design, focusing on customer service and customer outcomes. Persistency statistics and customer metrics are monitored regularly and detailed persistency analysis is carried out periodically.

Expense risk

Expense risk is managed through budget control and cost discipline, balanced against the need to ensure sufficient resources are available to achieve the Group's strategic aims.

Expense levels are monitored regularly against budgets and forecasts. An allocation model is used to allocate shared business costs to individual legal entities based on agreed cost drivers. Cost drivers are periodically reviewed to ensure that they are in line with the services that each legal entity is receiving.

Some product structures include maintenance charges. These charges are reviewed annually in light of changes in maintenance expense levels and the market level of inflation. This review may result in changes in charge levels.

Mortality risk

Mortality risk is not significant since Quilter does not provide life protection business. Mortality risk is a minor risk on the Collective Investment Bond product provided by QLPL.

C.1.3 Life underwriting risk concentration

The Group does not have any material concentrations of lapse, expense or mortality risk. The Group does not provide life protection business.

C.2 Market risk

Market risk is the risk of an adverse change in the level or volatility of market prices of assets, liabilities or financial instruments resulting in loss of earnings or reduced solvency. Market risk arises from changes in the market price of equity, bond and alternative investments, or changes in interest rates or foreign exchange rates. Market risks are linked to wider economic and geopolitical conditions and may be driven by the crystallisation of climate-related financial risks. Market risk arises differently across the Group's businesses depending on the types of financial assets and liabilities held. The key market risk exposures for the Group are as follows:

Equity risk

Equity market risk is a significant risk for the Group since a large proportion of the assets underlying unit-linked funds held for the benefit of policyholders is invested in equity portfolios, from which the Group derives asset-based fees. The Group has no material holdings of equities within shareholders' funds.

The capital requirement for equity risk reflects the potential loss of future asset-based revenues resulting from returns on equity assets falling below the levels assumed in the calculation of technical provisions.

Currency translation risk

Currency translation risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's functional currency is pounds sterling, which accounts for the majority of the Group's transactions. A large proportion of the underlying unit-linked assets are denominated in foreign currencies. A fall in the value of foreign currencies in relation to the reporting currency would lead to a fall in the asset values in GBP, which would negatively impact the level of asset-based revenues on unit-linked funds. In addition, the Group has minor direct exposure to Euros, through the Group's Irish subsidiary and to the South African Rand, due to the listing on the Johannesburg Stock Exchange and the payment of a proportion of shareholder dividends in Rand. During 2024, the Group also had limited direct exposure to foreign exchange risk in respect of other currencies due to its non-UK operations and foreign currency transactions.

Interest rate risk

Interest rate risk is the risk that changes in interest rates, both in the short term and in the longer term, result in changes in the expected value of future revenues and expenses.

Changes in interest rates result in changes to the value of government and corporate bond assets within unit-linked funds. Changes in the value of these assets results in changes to expected future asset-based fee revenues.

Changes in the interest rate yield curve also results in changes to the rates used to value future revenues and expenses in the calculation of technical provisions. Changes in interest rates also directly impact the level of interest income earned on company cash deposits and money market funds.

Spread risk

A portion of the assets underlying unit-linked funds is invested in corporate bonds. These bonds are exposed to the risk of increases in credit spreads, which would result in a fall in the value of bonds. This would result in a reduction in the Group's expected future asset-based fee revenues.

The Group has no material direct holdings of corporate bonds within shareholders' funds.

C.2.1 Market risk profile

Market risk is measured through the following approaches:

- The capital requirement for each market risk exposure is calculated using the Standard Formula.
- Sensitivity testing is performed in respect of market risks in order to determine the impact of market movements on the value of own funds, the SCR and the Group solvency ratio.
- Stress testing is performed to assess the impact of a severe economic downturn arising over the business planning period.

The capital requirements for market risks as at 31 December 2024 are set out in the following table:

Market risk category	31 December 2024 £m
Interest rate	22
Equity	261
Property	3
Spread	26
Currency	145
Subtotal	**458**
Diversification within risk module	(96)
Market risk SCR	**362**

Table C.2.1 – Quilter's market risk SCR

C.2.2 Market risk mitigation

Within the Group's insurance business, direct market risks are borne by policyholders as a result of the use of unit-linked product structures. The Group does not provide investment guarantees or take on complex financial insurance risks. Quilter's exposure to market risk on asset-based revenues is an accepted risk exposure.

C.2.3 Market risk concentration

Policyholder funds are invested in a diversified portfolio of assets. The level of market risk concentration on policyholder assets is not material.

Shareholders' funds are deposited only in the permitted instruments set out in the relevant Treasury Statement of Practice. The permitted instruments are bank call deposits and a range of money market funds. Limits are in place to avoid excessive concentration to a single counterparty.

C.3 Credit risk

Credit risk is the risk of adverse movements in credit spreads (relative to the reference yield curve), credit ratings or default rates leading to a deterioration in the level or volatility of assets, liabilities or financial instruments resulting in loss of earnings or reduced solvency. This includes counterparty default risk, counterparty concentration risk and spread risk.

C.3.1 Credit risk profile

Quilter's credit risk profile is derived from the Standard Formula counterparty default risk module.

As at 31 December 2024, the Quilter SCR for this module was £8 million (2023: £12 million).

The Group actively monitors the credit worthiness of banking counterparties and diversifies exposures in order to limit exposure to any single counterparty, for example through the use of money market funds for the investment of company money.

Active weekly monitoring of credit default swap spreads has not seen any significant adverse credit impacts to the banks over the past 12 months.

C.3.2 Credit risk mitigation

During the year, Quilter's credit risk framework was supported by a Group Credit Risk Policy together with appropriate risk appetite, risk reporting and oversight by the Group Financial Risk Management Committee.

The credit risk arising from exposures is mitigated by ensuring that the Group only enters into relationships with appropriately robust counterparties, adhering to the Group Credit Risk Policy. For each asset, consideration is given to:

- the credit rating of the counterparty, which is used to derive the probability of default;
- the loss given default; and
- the potential recovery which may be made in the event of default.

Credit and counterparty risks are identified and assessed through an analysis of Quilter's consolidated balance sheet. Quilter has a prudent credit risk management framework and invests shareholder funds in cash and AAA-rated money market funds. A group-wide counterparty limit framework is used to ensure cash is held with appropriately rated counterparties and is appropriately diversified in order to manage concentration risk.

During the year, the credit risk exposures of Quilter plc and its subsidiaries were monitored on a daily basis and reported through the Group Financial Risk Management Committee to ensure that counterparties remained creditworthy and to ensure that concentrations of exposure were kept within accepted limits. Further in-depth analysis on counterparty creditworthiness was completed on a weekly, semi-annual and annual basis throughout the year. ESG analysis is being introduced into the considerations of banking counterparty usage and will influence decision making alongside the credit analysis. There is no direct exposure to European sovereign debt (outside of the UK) within the shareholder investments.

C.3.3 Credit risk concentration

Cash is held in a range of banks and money market funds. Counterparty limits are set by reference to the credit rating of the institution in order to diversify credit risk exposure and avoid excessive concentrations to individual counterparties.

C.4 Liquidity risk

C.4.1 Liquidity risk profile

Liquidity risk is the risk that there are insufficient assets or that assets cannot be realised in order to settle financial obligations as they fall due, or that market conditions preclude the ability of the Group to trade in illiquid assets in order to maintain its Asset Liability Matching profile.

The Group assesses liquidity risk exposures by reviewing cash flows that arise regularly through normal business activity and identifying potential liquidity stresses which could arise. The Group then maintains sufficient liquidity levels above this exposure to ensure all entities can meet the cash demands required of them.

Quilter is exposed to liquidity risks during the normal course of business where payments are made before the related income is received from counterparties or liquidity strains arise from technology outages. Such exposures are typically short term in nature. Each business has a defined liquidity target and minimum liquidity requirement, which have been determined to cover any potential outflows arising from severe but plausible liquidity stress scenarios. The Group maintains additional liquidity to provide contingency funding support to the businesses if required, in the event of liquidity stresses. Liquidity exposures are monitored for each business on a daily basis relative to liquidity targets.

Uncertainty and market volatility relating to the current challenging economic, social and geopolitical environment could result in an increase in the likelihood of potential liquidity stress scenarios, such as risk of suspension of funds provided by external fund managers which are made available for Quilter Platform customers, and increased trading volumes, which can cause short-term liquidity strains due to settlement timing differences between funds.

Throughout 2024, Quilter plc and its subsidiaries have operated above their individual liquidity targets and there were no new material liquidity stresses identified over this period to include in the liquidity monitoring process. Daily liquidity updates continue to be in place across the Group to enable timely identification of any emerging issues.

The Group maintains a Consolidated Contingency Funding Plan, which is designed to enable management to address emergency liquidity situations in a timely and efficient manner and in line with regulatory requirements.

C.4.2 Liquidity risk mitigation

Quilter manages liquidity by:

- maintaining sufficient high quality liquid assets and appropriate banking facilities, the level of which is informed through appropriate liquidity stress testing;
- monitoring actual cash flows against forecast; and
- matching the maturity profiles of financial assets and liabilities, where possible.

Liquidity risk can arise as a result of a number of significant switches or withdrawals of policyholder funds over a short timeframe, or as a result of one very large switch or withdrawal. In some cases, switches and withdrawal of policyholder funds are paid by the entity before settlement is received from the market on the sale of policyholder assets. This risk is managed by maintaining high quality liquid assets to meet the value of the payments which may reasonably be expected in stressed conditions and by regularly monitoring actual cash flows against forecast.

Within certain funds available to policyholders (primarily property funds), there is a risk that in the event of a shortage of liquidity within the funds, these funds may be suspended, resulting in policyholders being unable to buy or sell units for a period of time. There are circumstances in which Quilter will honour the settlement of a population of contractual payments within QLPL, resulting in a minor liquidity risk exposure.

C.4.3 Liquidity risk concentration

There is no significant concentration of liquidity risk in Quilter.

C.5 Operational risk

Operational risk is the risk of loss which could arise in conducting ongoing business activities, processes and systems to provide services to customers. Operational risks may arise from inadequate or failed internal systems or processes, human error or inadequate service received from a third party.

Operational risk includes, but is not limited to, the effects of failure of administration processes, information technology ("IT") and information security processes, advice processes (including oversight of ongoing servicing provided by financial advisers), investment processes (including settlements with fund managers, fund pricing and trading), people and HR processes, product development and management processes, legal risks (e.g. risk of inadequate legal contracts with third parties), change delivery risks (including poorly managed responses to regulatory change), physical and certain transitional financial risks arising from climate change, risks relating to the relationship with third-party suppliers and outsourcers, and the consequences of financial crime and business interruption events.

Quilter's business and operating model includes inherent exposure to a number of operational risks which could threaten Quilter's ability to meet its business objectives. The most significant of these risks have been detailed in the Risk Review section of the Quilter plc 2024 Annual Report.

C.5.1 Operational risk assessment

Operational risks are internally assessed through scenario-based risk assessments. These are informed by internal risk event data, external operational loss data, Risk and Control Self-Assessments and judgement provided by subject matter experts. The financial impact of operational risk assessments is modelled in order to assess the potential loss in plausible, but extreme conditions. This assessment is used to support the Group's assessment of the appropriateness of the Standard Formula.

Quilter's operational risk capital requirement is calculated on a Standard Formula basis, which is predominantly driven by the level of maintenance expenses for the insurance businesses.

As at 31 December 2024, the Quilter SCR for the operational risk module was £12 million (2023: £12 million).

The operational risk charge is added on to the basic SCR following the Standard Formula with no allowance for diversification with other risk modules.

C.5.2 Operational risk mitigation

Operational risks are managed in accordance with Quilter's Operational Risk Policy. Operational risk exposure is measured primarily through analysis of risk event data and key risk indicators, which are monitored relative to defined tolerances.

Operational risk mitigants are set out within business continuity plans and crisis management processes, which are tested periodically.

First line management has responsibility for applying the operational risk framework, including the management of operational risk, and ensuring that appropriately designed controls are operating effectively. The second line Risk function provides risk oversight and challenge to the first line in their delivery of the requirements of the operational risk framework, and Quilter's IA function provides third line assurance. Quilter's governance structure is designed to ensure clarity of responsibilities and delegated authorities, segregation of duty, and clear escalation of risk issues to enable timely management action to manage risks within acceptable tolerances.

C.5.3 Operational risk concentration

The Group shares IT infrastructure and network services. This infrastructure is subject to ongoing modernisation and investment aligned to the long-term IT strategy. Risks are mitigated by a rotating cycle of resilience testing covering critical functions and IT services. Quilter is materially reliant on FNZ's operational and technology processes. The failure of FNZ would cause disruption to Quilter's ability to service its customers. Quilter Investors Limited is reliant on both Citi and SS&C for the delivery of a number of important business services. Outsourcing oversight and controls have been implemented to mitigate these risks.

C.6 Other material risks

Climate-related risks

Climate change, and society's response to it, present risks which are relevant to Quilter. These climate-related risks can be divided into two major categories:

- risks related to a transition to a lower-carbon economy; and
- risks related to the physical impacts of climate change.

Whilst many climate-related risks, particularly physical risks, may crystallise in full over longer time horizons, some of the impacts are becoming apparent now.

In 2024, our climate-related risks and opportunities were reassessed in line with the Task Force on Climate-related Financial Disclosures ("TCFD") Guidance, resulting in a refreshed set of climate-related risks where climate change is the key driver. Risks have been identified at the Group level covering both our operations and investment activities.

Cross-functional climate risk workshops were held to identify climate-related risks, carry out materiality assessments, and determine how we manage and monitor such risks going forward.

Further information on Quilter's exposure to and management of climate-related risks can be found in Quilter's 2024 TCFD report, which is published on Quilter's website.

C.7 Any other information

C.7.1 Risk sensitivity analysis

Stress and scenario testing are performed on an annual basis to assess the resilience of the Group to potential adverse events and to assist in determining the management actions which would be required to manage and mitigate the impacts of such events. Reverse stress testing is also performed to identify the point at which the business model could become unviable either at a Group or solo entity basis.

Sensitivity testing

The Group carries out sensitivity testing to assess the impacts on the Group solvency position of changes in equity markets, interest rates, lapse rates and expense levels.

As at 31 December 2024, the Group's surplus capital above the SCR was £822 million. The following table shows the change in the value of surplus capital due to the key sensitivities which have been tested:

Sensitivity test	Impact on level of surplus capital £m
Equity markets: 25% market fall	(8)
Interest rates: 1% reduction in interest rates	(18)
Interest rates: 1% increase in interest rates	12
Inflation rates: 1% reduction in inflation rates	14
Inflation rates: 1% increase in inflation rates	(17)
Lapse rates: 10% mass lapse	(30)
Expenses: 10% increase in expense levels	(19)

The key underlying assumptions for these sensitivity tests include:

- The sensitivity stresses are assumed to take place instantaneously on 1 January 2025, the balance sheet and the SCR are immediately revalued.
- It is assumed that the Standard Formula symmetric adjustment of the equity capital charge would be updated to reflect the market fall under the equity market sensitivity.
- It is assumed that the fund managers automatically rebalance their investment portfolios following the initial sensitivity shock, such that the proportion of assets invested in each asset category remains unchanged before and after the market stress.
- The sensitivities have been applied only to the insurance entity within Quilter. It is therefore assumed that the sensitivities would have no immediate impact on own funds or capital requirements for other entities within the Group.
- It is assumed that no management actions would be applied under these sensitivities. For instance, under the 10% mass lapse sensitivity, the per-policy maintenance expense assumption increases to reflect the same level of maintenance expenses being spread over fewer policies.

Stress testing

Stress testing is performed on an annual basis to assess the resilience of the Group and the solo regulated entities to severe but plausible events and to assist in determining the management actions required to manage and mitigate the impacts of such events. Stress tests are also used to validate that the Group and solo regulated entities are sufficiently capitalised in line with their financial risk appetites.

Stress testing is performed by adjusting the parameters used to project revenues and expenses over the business planning period and adjusting capital plans. Stress testing parameters are typically set in order to assess the impacts of both 1-in-50 year adverse events and 1-in-200 year adverse events over the business planning period. Stress testing parameters are determined through analysis of market and internal experience data combined with expert judgement.

Stress testing performed for the Group in 2024 demonstrated that the Group can comfortably withstand a 1-in-200 year adverse event whilst continuing to meet its internal capital target. In order to manage a 1-in-200 year stress, in line with the Group's dividend policy, dividends would be reduced or temporarily suspended under such a stress.

Reverse stress testing

Reverse stress testing is performed in order to identify the events which would result in the business model becoming unviable, resulting in the need to make material changes to the strategy in order to continue as a going concern.

C.7.2 Significant risk concentration

The Group has not identified any significant risk concentrations that could threaten the Group solvency or liquidity position.

Section D. Valuation for solvency purposes

This section describes the consolidation approach and the methods used to value assets and liabilities when preparing the Group balance sheet compliant with the UK Solvency II rules and guidance ("balance sheet for solvency purposes"). The Group balance sheet for solvency purposes is used as a basis for calculating own funds and is reported in the Group balance sheet QRT (IR.02.01).

Quilter plc and all of its direct and indirect subsidiaries are consolidated on a line-by-line basis when preparing the IFRS statement of financial position ("IFRS balance sheet"). This essentially means that each asset and liability figure disclosed in the Group's IFRS balance sheet is determined as the sum of the assets or liabilities of that type across all Quilter entities after eliminating the impact of intragroup transactions and balances. When preparing the Group balance sheet for solvency purposes, certain types of entities are required to be consolidated on a line-by-line basis while others are required to be included in a single line, as participations. The value of the participations figure is based on the value of the net assets of the entities that are not consolidated on a line-by-line basis for solvency purposes. The differences between the consolidation approach for IFRS and for solvency purposes result in significant presentational differences between the Group balance sheet for solvency purposes and the Group IFRS balance sheet.

A reconciliation between the Group IFRS equity position and the own funds position is provided in section E. The reconciliation summarises the non-presentational differences between IFRS and UK Solvency II which result from differences in the valuation rules.

Determination of assets and liabilities for solvency purposes

Assets and liabilities for solvency purposes have been calculated in accordance with the overriding valuation principles set out in the UK Solvency II rules, which require an economic market-consistent approach to the valuation of assets and liabilities. The bases, methods and assumptions used for the valuation of the Group's assets, technical provisions and liabilities other than technical provisions ("Other liabilities") are consistent with the UK Solvency II rules and applicable guidance.

The Group's IFRS reporting is the starting point for solvency reporting. Material accounting policies applied in preparing the Group's IFRS balance sheet are disclosed in note 5 to the Quilter plc 2024 Annual Report. Critical accounting estimates and judgements are outlined in note 1 of the Quilter plc 2024 Annual Report. The valuation of assets and other liabilities for solvency purposes is based on quoted market prices in active markets where available. For assets and liabilities not traded in active markets, quoted market prices for similar assets and liabilities are used where available. In cases where there are no similar assets or liabilities traded in active markets, alternative valuation methods are applied making the maximum use of observable inputs.

Assets and other liabilities that are valued at fair value in accordance with IFRS satisfy the overriding valuation principles of UK Solvency II. Furthermore, where the carrying amount of assets and other liabilities in the financial statements approximates their fair value, the valuation basis is deemed to be in line with the overriding valuation principles. When IFRS principles are inconsistent with the overriding UK Solvency II valuation principles above, the valuation of assets and liabilities is adjusted to ensure the UK Solvency II principles are adhered to. Material categories of assets and liabilities that are not valued using market prices are outlined in the sections below.

There have been no significant changes to the recognition, valuation or estimation methods used during the period.

The value of technical provisions is calculated in line with the UK Solvency II rules and guidance as the sum of best estimate liabilities and risk margin.

Consolidation approach

The Group follows the default consolidation method when preparing the solvency balance sheet which is referred to as "method 1". Accordingly, Quilter plc, its insurance subsidiary (Quilter Life & Pensions Limited) and certain holding companies together form a consolidated insurance group that is consolidated on a line-by-line basis when preparing the Group balance sheet for solvency purposes.

Non-insurance entities ("other financial sector undertakings" and "other non-financial undertakings") are included as participations in the Group balance sheet for solvency purposes and are not therefore consolidated on a line-by-line basis. Non-insurance entities comprise mainly the Group's investment management, wealth management and financial advice businesses.

The balance sheet, own funds and solvency capital requirements (covered in section E) for insurance companies are each determined on a UK Solvency II basis. Other financial sector undertakings are included under method 1 as participations on the solvency balance sheet on a sectoral rules basis, meaning that their value is determined in accordance with the IFPR. The sectoral rules are also used to determine the contribution of those entities to Group own funds and the Group solvency capital requirement.

Type of undertaking	Quilter entities	Solvency balance sheet	IFRS balance sheet
Consolidated insurance group	Quilter plc's insurance undertaking: Quilter Life & Pensions Limited.	Full line-by-line consolidation. Valuation based on UK Solvency II rules and guidance. Investment funds included based on Quilter's ownership percentage.	Full line-by-line consolidation. Investment funds meeting the IFRS 10 criteria for 'consolidation of funds' are fully consolidated – for further information see note 5(a) of the Quilter plc 2024 Annual Report.
	Quilter's mixed financial holding companies and insurance holding companies including Quilter plc, Quilter Holdings Limited and Quilter UK Holding Limited.	Full line-by-line consolidation. Valuation based on UK Solvency II rules and guidance.	Full line-by-line consolidation. IFRS valuation basis.
Other financial sector undertakings	Companies in the Group's investment management, wealth management and financial advice businesses.	Valued using the relevant sectoral rules. Included in participations, taking account of the Group's ownership percentage.	Full line-by-line consolidation. IFRS valuation basis.
Other non-financial undertakings	Other Quilter entities which are not ancillary to Quilter's insurance business.	Valued based on the adjusted equity method. Included in participations taking account of the Group's ownership percentage.	Full line-by-line consolidation. IFRS valuation basis.

The table below sets out a comparison of the values of assets and liabilities for IFRS purposes and for solvency purposes. There are significant differences for the reasons already explained above. Further information on the reasons for the differences is provided in section D.1 (Assets), D.2 (Technical provisions) and D.3 (Other liabilities).

Summary balance sheet £m	Ref.	2024 IFRS value	Consolidation of investment funds	Solvency adjustments	2024 Solvency value	2023 Solvency value
Assets						
Goodwill and other intangible assets	D.1.1	339	-	(339)	-	-
Contract costs	D.1.2	24	-	(24)	-	-
Property, plant and equipment held for own use	D.1.3	91	-	(91)	-	-
Investment property	D.1.4	9	-	(9)	-	-
Investments (other than assets held for index-linked and unit-linked contracts)[1]	D.1.5	7,862	(7,856)	906	913	811
Holdings in related undertakings, including participations	D.1.6	16	-	578	593	580
Assets held for index-linked and unit-linked contracts	D.1.7	51,525	-	1	51,526	43,276
Loans and mortgages	D.1.8	56	-	(56)	-	-
Other receivables[2] and deferred tax assets	D.1.9	578	(103)	(276)	200	201
Cash and cash equivalents	D.1.10	1,949	(365)	(1,395)	189	202
Total assets		**62,448**	**(8,323)**	**(705)**	**53,421**	**45,070**
Liabilities						
Technical provisions	D.2.4	51,758	-	(661)	51,097	42,908
Deferred tax liabilities	D.3.1	96	-	141	237	163
Other liabilities[3]	D.3.2	747	(98)	(234)	416	366
Subordinated liabilities	D.3.3	199	-	1	200	204
Any other liabilities, not shown elsewhere	D.3.4	8,225	(8,225)	-	-	-
Total liabilities		**61,025**	**(8,323)**	**(754)**	**51,950**	**43,641**
Excess of assets over liabilities		**1,423**	**-**	**49**	**1,471**	**1,429**

[1] *Excludes Holdings in related undertakings, including participations which are shown separately in the row below.*

[2] *Solvency value for Other receivables includes the following lines from the balance sheet for solvency purposes in Appendix F.2: deferred tax assets, insurance and intermediaries receivables, reinsurance receivables and receivables (trade not insurance).*

[3] *Solvency value for Other liabilities includes the following lines from the balance sheet for solvency purposes in Appendix F.2: provisions other than technical provisions; insurance and intermediaries payables, reinsurance payables and payables (trade not insurance).*

D.1 Assets

We have outlined below key valuation and classification differences between the solvency and IFRS balance sheets by material classes of assets, with a particular focus on the consolidated insurance group. As stated above, there are significant presentational differences between the Group's IFRS and solvency balance sheets.

The Group has considered the nature, function, materiality and risk profile of assets when aggregating assets into material classes in order to describe the valuation bases that have been applied to each class.

D.1.1 Goodwill and other intangible assets

Under UK Solvency II rules, goodwill is valued at £nil. The Group has no intangible assets for which a fair value can be determined from an active market and therefore all intangible assets are valued at £nil in the solvency balance sheet.

D.1.2 Contract costs

Contract costs are valued at £nil for solvency purposes. Future cash flows associated with unit-linked insurance business are considered in the calculation of technical provisions.

D.1.3 Property, plant and equipment held for own use

Property, plant and equipment are carried at a value based on amortised cost for IFRS which is deemed to be a reasonable approximation of fair value. As at 31 December 2024, property, plant and equipment was held by other financial sector entities and included within participations for solvency purposes.

D.1.4 Investment property

A right-of-use property which is sublet by the Group under an operating lease is classified as investment property. As at 31 December 2024, investment property was held by other financial sector entities and included within participations.

D.1.5 Investments (other than assets held for index-linked and unit-linked funds)

Investments comprises investments in Collective Investment Undertakings (£913 million). For both solvency and IFRS reporting, these assets are measured at fair value, based on market prices at the reporting date, which are quoted prices in active markets for identical instruments. No significant estimates or judgements are used in the valuation of these investments.

The main difference between the IFRS and the solvency value of Investments (£7,856 million shown within the "Consolidation of investment funds" column in the table above) results from the different consolidation approach with respect to investment funds which the Group controls. Under IFRS, these investment funds are fully consolidated on a line-by-line basis, whereas for solvency purposes, only the relevant percentage held by the Group is included in the balance sheet.

Further differences between the two bases result from differences in the definition of line items. For solvency purposes, the money market fund investments (£909 million) are deemed not to be accessible within 24 hours and therefore are included in the "Investment funds" line, whereas on the IFRS balance sheet these investments are classified as "Cash and cash equivalents".

Accrued income on investments and securities is reclassified from "receivables" under IFRS to "investments" for solvency purposes, resulting in a relatively minor presentational difference between the IFRS and solvency bases.

D.1.6 Holdings in related undertakings, including participations

Both in the balance sheet for solvency purposes and under IFRS, this heading comprises holdings in related undertakings which are not fully consolidated. In the IFRS financial statements, the Group consolidates all entities it controls on a line-by-line basis. Related undertakings totalling £16 million which do not meet the IFRS 10 criteria for line-by-line consolidation are included here.

For solvency purposes, due to the different consolidation approach described above, subsidiary undertakings outside the insurance consolidation group are not fully consolidated. These undertakings are shown on a separate line as "Holdings in related undertakings" of £593 million and comprise Other financial sector undertakings and Other non-financial undertakings. The £593 million consists of £541 million of holdings in Other financial sector undertakings (unaudited) and £52 million of holdings in Other non-financial undertakings.

Other financial sector undertakings are Group entities that are Financial and credit institutions, Alternative investment fund managers and Non-regulated undertakings carrying out financial activities. These holdings are valued on the basis of the Group's proportional share of the undertakings' own funds calculated in accordance with the relevant sectoral rules, which for investment firms means the IFPR.

Holdings in Other non-financial undertakings are measured at fair value. In cases where a market price (using listed quoted prices from a recognised stock exchange) is not available, the adjusted equity value is used. The adjusted equity value is calculated by multiplying Quilter's ownership percentage by the entity's IFRS net assets after certain adjustments including the deduction of any goodwill or other intangible assets.

D.1.7 Assets held for index-linked and unit-linked contracts

IFRS does not separately classify assets held to cover linked liabilities. In the Group financial statements, these assets are classified in the balance sheet under the relevant asset line (such as equities or bonds). For solvency purposes, £51,526 million of these assets, representing linked policyholder investments held by the consolidated insurance group, are reclassified and reported in one line in the balance sheet as "Assets held for index-linked and unit-linked contracts".

For solvency purposes, assets held to cover linked liabilities are valued on the same basis as for IFRS. Valuation is largely on the basis of quoted market prices. Certain assets (totalling £13 million) are valued using alternative valuation methods. Refer to section D.4 for further details.

D.1.8 Loans and mortgages

For solvency purposes, loans to policyholders are £nil at 31 December 2024. The IFRS balance at 31 December 2024 of £56 million relates to loans to advisers arising in the Other financial sector undertakings. These loans are included within participations for solvency purposes and are measured at amortised cost. For further information see note 18 of the Quilter plc 2024 Annual Report.

D.1.9 Other receivables and deferred tax assets

Other receivables of £168 million are stated at amortised cost, less appropriate allowances for estimated irrecoverable amounts.

This approximates to fair value due to the short-term nature of the balances. This valuation basis applies equally to both IFRS and UK Solvency II. For solvency purposes, there is a subsequent minor reclassification of accrued income on investments and securities to the underlying asset category.

Solvency adjustments relate mainly to removing receivables arising in the Other financial sector undertakings.

Deferred tax assets ("DTA") in the solvency balance sheet amount to £32 million. Deferred tax assets are recalculated based on the difference between the value ascribed to assets and liabilities for solvency purposes and the value ascribed to the same assets and liabilities for tax purposes. Deferred tax assets are only recognised to the extent the assets are recoverable. An adjustment of £83 million was made to remove the deferred tax asset balances relating to the entities not consolidated on a line-by-line basis. Further information on unrecognised deferred tax assets can be found in note 31(a) to the Quilter plc 2024 Annual Report.

D.1.10 Cash and cash equivalents

Cash and cash equivalents for solvency purposes of £189 million are carried on an amortised cost basis under IFRS and this approximates to fair value under UK Solvency II rules. The key difference between IFRS and UK Solvency II reporting is that money market fund investments held by the consolidated insurance group of £909 million are included in the "Investment funds" line for solvency purposes whereas under IFRS they are included in "Cash and cash equivalents".

D.2 Technical provisions

D.2.1 Technical provisions by line of business

This section considers the technical provisions in the consolidated Group solvency balance sheet for Quilter plc (£51,097 million) which consist of the technical provisions of QLPL, the only insurance entity in the Group that is subject to group UK Solvency II reporting.

The index-linked and unit-linked insurance line of business represents 100% of the Group's total technical provisions. The index-linked and unit-linked insurance business consists of unit-linked individual pensions and investment bonds offered by QLPL.

The value of the technical provisions corresponds to the amount that would have to be paid to transfer the insurance obligations immediately to another insurance undertaking. This value is calculated in line with the PRA requirements as the sum of the best estimate liabilities and the risk margin.

Line of business £m	31 December 2024			31 December 2023	Change in technical provisions
	Best estimate liabilities	Risk margin	Total technical provisions	Total technical provisions	
Index-linked and unit-linked insurance	51,025	72	51,097	42,908	8,189
Total Group technical provisions	**51,025**	**72**	**51,097**	**42,908**	**8,189**

The Group's technical provisions have increased over 2024 mainly because of the positive net client cash flow and the rise in equity markets increasing the linked policyholder assets. Under the UK Solvency II rules, the Group technical provisions have two components:

- best estimate liabilities of £51,025 million. This represents the value of units credited to policyholders as at 31 December 2024 of £51,758 million less the value of expected future profits (net of expenses) from the unit-linked business of £734 million, based on the cash flow projection model; and
- a risk margin of £72 million.

D.2.2 Bases, methods and main assumptions used for technical provisions valuation

The assumptions and methodology for the Group's best estimate liabilities and risk margin are set out in the following sections.

D.2.2.1 Methodology applied in deriving the best estimate liabilities

The unit liability component of the best estimate liability is calculated based on the same methodology as under the IFRS reporting.

The value of future profits component of the best estimate liability is calculated for all policies in force at the valuation date. It is calculated as the prospective value of future expected cash flows on a policy-by-policy basis allowing for any surrender payment, transfer payments, death claims, income withdrawals, maintenance expenses, fund-based fees, mortality charges and other policy charges. The underlying assumptions are based on the best estimate of the future, which is largely based on recent business experience and any emerging trends. The unit fund growth rates (gross of investment charges) and the discount rates are set using the PRA prescribed term-dependent risk-free interest rates.

The calculation is carried out gross of reinsurance recoverables and gross of all future tax, other than future policyholder tax. The value of shareholder tax is included within the deferred tax liability ("DTL") line.

For regular premium products, the allowance for future premiums and benefits within the best estimate liabilities depends on the boundary of the contract. Unit-linked regular premium products in QLPL have been modelled using short contract boundaries, i.e. by not recognising future premiums, where no material protection benefit exists.

D.2.2.2 Methodology applied in deriving the risk margin

The risk margin is determined as the present value of the cost of capital at 4% per annum held to cover non-hedgeable risks needed for the full run off of the in-force liabilities, discounted using the prescribed term-dependent risk-free interest rates. In the projection of capital, the prescribed risk tapering effect is included to accelerate the run-off of the capital for non-hedgeable risk.

The standalone SCRs for non-hedgeable risks are projected forward individually using the appropriate risk drivers. Diversification benefits between the standalone risks are allowed for in each future projection period.

D.2.2.3 Key assumptions in deriving the best estimate liabilities

This section covers key assumptions used to derive the best estimate liabilities.

D.2.2.3.1 Relevant term-dependent risk-free rate applied in deriving the technical provisions

Quilter plc uses the risk-free interest rate curve prescribed by the PRA for the valuation of its technical provisions. The unit fund growth rates (gross of investment charges) and the discount rates are set equal to the prescribed interest rates.

For the unit-linked business, the asset-based charges component of the best estimate liabilities is not particularly sensitive to the changes in risk-free interest rate curves. This is because the impacts of changes in the unit growth rates and the risk discount rates have a broadly offsetting effect on the asset-based charges. The expense component and the fixed charges component of the cash flow are more sensitive to changes in risk-free interest rate curves due to the impact of discounting.

The movement in the risk-free interest rate directly affects the level of income associated with the projected retained interest on customers' cash. A decrease in the future interest rate will lead to a reduction in interest income to QLPL and hence will lead to an increase in the best estimate liability value.

The risk margin component of technical provisions is also sensitive to changes in risk-free interest rates as it is calculated as the discounted present value of the cost of the capital held to cover non-hedgeable risks needed for the run-off of the in-force liabilities.

The prescribed GBP-denominated risk-free interest rate curve has increased over 2024 for most of the future durations.

D.2.2.3.2 Persistency

Persistency assumptions include full surrender/transfer assumptions and partial withdrawal assumptions, which impact the expected outstanding duration of the business and hence are an important driver for the expected future cash flows within the technical provisions calculation.

Methodology

The surrender/transfer and partial withdrawal assumptions are set with reference to recent experience in Quilter's business, allowing for any emerging trends. Surrender/transfer assumptions vary by product type and policy duration. The assumptions are based on a weighted average of historical observed experience.

Key changes to assumptions for the year ended 31 December 2024

The most recent experience investigation shows an overall slightly higher rates of surrenders/transfers for the Pensions in comparison to the assumptions at the end of 2023. Hence the inclusion of the most recent experience on average has increased the surrender/transfer rates slightly for the Pensions, leading to a small increase in the best estimate liabilities for QLPL and the Group. There is broadly no change to the overall surrender rates for the Investment Bonds in 2024.

The partial withdrawal experience over 2024 for the pension product is slightly higher than the assumptions at the end of 2023. This could be due to the high inflation rates over 2021-2023 resulting in pensioners withdrawing larger proportions of their pension savings in order to keep up with the higher cost of living. The inclusion of the most recent partial withdrawal experience leads to a small increase in the partial withdrawal assumption for the year end 2024 valuation. As a result, the best estimate liabilities have increased slightly from the change. The partial withdrawal rates for the Investment Bonds have also increased slightly in 2024.

The experience will be continually monitored in 2025 to ensure that the best estimate assumptions remain appropriate for QLPL.

D.2.2.3.3 Expenses

Expense assumptions reflect the expected cost of future maintenance of the in-force business.

Methodology

The maintenance expense assumptions for QLPL include two components:

- an annual sterling amount based assumption, known as the maintenance cost per policy, assumed to grow with future expense inflation; and
- a fee payable in respect of the outsourcing arrangements, assumed to grow with the projected future assets under administration.

The sterling amount based maintenance expense assumption is modelled on a per-policy basis and based on both actual observed experience (excluding acquisition expenses and one-off expenses) and projected expenses over the business planning period. Expense assumptions are differentiated by product type.

The fee assumption for the outsourcing arrangements is set as a percentage of the assets under administration according to a pre-agreed charging structure. It is based on the contractual arrangement with the third-party platform provider.

Key changes to assumptions for the year ended 31 December 2024

The sterling amount-based per-policy expense assumption has decreased over 2024. This is driven by the reduction in the total maintenance expenses after adjusting for inflation and the growth in policy count over 2024, resulting in maintenance expense spreading more thinly over a larger number of policies.

The percentage-based outsource fee has decreased over 2024 due to the increase in the platform assets under administration ("AuA"), driven by the increase in the net client cash flow and the rise in equity markets, therefore increasing the linked policyholder assets.

The changes in the expense assumptions have reduced the best estimate liabilities at year end 2024.

D.2.2.3.4 Expense inflation assumption

The maintenance expense assumption is projected to increase in line with anticipated inflation rates.

Methodology

The assumption for retail price index ("RPI") inflation is based on implied inflation from the Bank of England's forward gilt yield curves, i.e. the difference between the fixed gilt yields and index-linked gilt yields. The expense inflation assumption is set to be equal to the projected RPI rates. Previously, the expense inflation assumption contained an additional margin above the projected RPI rates.

Key changes to assumptions for the year ended 31 December 2024

The market implied RPI rates have not changed materially over 2024. The removal of the additional expense inflation margin in 2024 has resulted in a reduction in the expense inflation assumption, leading to a reduction in the best estimate liabilities at year end 2024.

D.2.3 Uncertainty associated with the value of technical provisions

Sensitivity tests on the assumptions are carried out to ensure the uncertainties are well understood and incorporated in the capital and risk management of the business.

The Group only has unit-linked business. For unit-linked business, the unit-liability component of the best estimate liability represents the value of units credited to policyholders. Therefore, in absolute terms, there is very limited uncertainty regarding the value assigned as the valuation does not require the application of assumptions or judgement.

The value of future profits component of the best estimate liability represents the value of future revenues (net of expenses) from the unit-linked business, based on the cash flow projection model and is equivalent to future product charges (income) less future expenses less future claims in excess of unit reserves. This component of technical provisions therefore carries greater uncertainty, principally driven by the following:

- Economic uncertainty related to future income from unit funds, e.g. a higher-than-expected future surrender experience will result in lower future asset-based revenues and lower future profits. This will cause the best estimate liabilities to increase.
- Uncertainty related to future administration costs for servicing the in-force policies, e.g. higher-than-expected future expenses to service the in-force business will result in lower future profits. This will cause the best estimate liabilities to increase.

The value of future profits component of the best estimate liability and its inherent risk profile also have a second-order effect on the size of the risk margin.

D.2.4 Differences between UK Solvency II and IFRS bases, methods and assumptions

The table below summarises the differences in the valuation of technical provisions between the UK Solvency II and IFRS bases.

Technical provisions £m	31 December 2024	31 December 2023
Gross IFRS investment contract liabilities	51,758	43,396
Adjustment for solvency purposes	(734)	(551)
Gross best estimate liabilities (Liabilities to policyholders for solvency purposes)	**51,025**	**42,845**
Add risk margin	72	62
Technical provisions	**51,097**	**42,908**

Quilter plc prepares its statutory accounts on an IFRS basis. The differences in the value of technical provisions when moving from an IFRS basis to a UK Solvency II basis are as follows:

The IFRS value of investment contract liabilities is £51,758 million which is based on the value of unit reserves.

Adjustment for solvency purposes – the adjustment for solvency purposes reduces the technical provisions for unit-linked business by £734 million.

This adjustment includes an allowance for future profits for solvency purposes which is not included on an IFRS basis. This adjustment represents the recognition of future revenues net of expenses calculated based on a set of best estimate assumptions and gross of reinsurance.

Addition of the risk margin – the addition of the risk margin for solvency purposes increases the technical provisions by £72 million compared to the IFRS basis where there is no risk margin.

The increase in IFRS and in UK Solvency II technical provisions over 2024 is mainly caused by the positive net client cash flow and the rise in equity markets, increasing the policyholders' linked assets.

D.2.5 Use of transitionals deduction, matching adjustment, volatility adjustment and transitional arrangements on interest rate

Neither the Group nor its insurance subsidiary makes use of the transitionals deduction, the matching adjustment, the volatility adjustment or transitional arrangements on interest rate.

D.2.6 Reinsurance recoverables

The Group has no material reinsurance recoverable.

D.3 Other liabilities

The Group has considered the nature, function, risk and materiality of other liabilities when aggregating other liabilities into material classes in order to describe the valuation bases that have been applied to each class.

D.3.1 Deferred tax liabilities

The deferred tax liability in the solvency balance sheet represents the tax payable in future periods in respect of taxable temporary differences on a solvency basis. Material differences between the IFRS and solvency values include:

- removal of the deferred tax liabilities arising on IFRS intangible assets, contract costs and contract assets; and
- recognition of a deferred tax liability in respect of future profits recognised within the technical provisions calculation (net of the risk the margin) which is not included on an IFRS basis.

D.3.2 Other liabilities

Differences between the IFRS and solvency values mainly relate to the consolidation approach under which only balances relating to the consolidated insurance group are recognised on this line, with other non-insurance balances included in participations within the solvency balance sheet. Other liabilities also include lease liabilities. Further information on lease liabilities is provided in section D.3.6 Leases.

There are no material differences between the bases, methods and main assumptions used for valuation for solvency and those used for IFRS.

D.3.3 Subordinated liabilities

Subordinated liabilities of £200 million comprise the debt security listed on the London Stock Exchange described in section E.1.

Under UK Solvency II rules, subordinated liabilities are measured at market value, after removing any increase or decrease in the value as a result of changes in own credit standing of the firm after initial recognition. Under IFRS, subordinated liabilities are measured at amortised cost, with the bond set-up costs being amortised over the term of the debt. Under IFRS, accrued interest is classified separately from the principal amount of the debt instrument, whereas for solvency purposes, the amount shown as subordinated debt includes an element attributable to accrued interest.

D.3.4 Any other liabilities, not elsewhere shown

Under IFRS, this line item includes third-party interest in consolidated funds of £8,225 million which are not recognised on the solvency balance sheet.

Funds which the Group controls are fully consolidated on a line-by-line basis when preparing the Group's IFRS balance sheet, with third-party holdings in funds recognised as liabilities. For solvency purposes, only the relevant percentage held by the Group is included in the solvency balance sheet, either as Investments or within Assets held for unit-linked funds. The overall impact on net assets is essentially neutral when comparing the IFRS and solvency bases.

D.3.5 Contingent liabilities

Under UK Solvency II rules, material contingent liabilities of entities consolidated on a line-by-line basis are recognised as liabilities in the solvency balance sheet and are valued on a probability-weighted basis. No contingent liabilities are recognised on the Group solvency balance sheet as at 31 December 2024.

Refer to note 36 to the Quilter plc 2024 Annual Report for more information on contingent liabilities.

D.3.6 Leases

Under IFRS 16, the Group recognises the right to use leased property, plant and equipment as an asset. The Group also recognises lease liabilities for the obligation to pay lease rentals in future periods.

Further information about the Group's lease arrangements can be found in note 32(b) to the Quilter plc 2024 Annual Report and in section A.4.2. Lease agreements mainly relate to office space.

D.4 Alternative methods for valuation

In valuing financial assets and liabilities, the Group follows the fair value hierarchy referred to at the start of section D. Therefore, assets and liabilities are valued based on a quoted market price in active markets for the same assets or liabilities if such a price is available. Where this is not possible, the Group uses quoted market prices in active markets for similar assets and liabilities with appropriate adjustments to reflect the differences.

For certain assets held to cover linked liabilities, alternative valuation methods, which utilise market inputs, are used. The total value of these assets at 31 December 2024 of £13 million represents less than 0.3% of the assets on the Group solvency balance sheet.

Approach to alternative valuation methods

As noted in note 22 to the Quilter plc 2024 Annual Report, alternative valuation methods ("valuation techniques using significant unobservable inputs") are used for unlisted equities and securities with significant unobservable inputs, securities where the market is not considered sufficiently active, including certain inactive pooled investments.

Further details on the judgement as to whether a market is deemed to be active and on the valuation techniques applied to the different categories of financial instruments can be found in note 22 to the Quilter plc 2024 Annual Report.

All Quilter businesses have processes in place to perform reviews of the appropriateness of the valuation of assets for which alternative valuation methods are applied, including consideration of past experience where relevant.

Alternative valuation methods used for the consolidated insurance group

For the consolidated insurance group, alternative valuation methods are used for certain assets classified as assets held to cover unit-linked liabilities, including:

- assets which are valued using market prices but where the age of the unit price is beyond its normal pricing frequency; and
- fund holdings where active trading is suspended and the valuation is based on the last published price (in many cases, suspended funds will continue to be regularly priced).

Valuation uncertainty when using alternative methods

Valuation uncertainty is determined by the extent to which unobservable inputs affect the overall valuation of the asset or liability concerned. To address valuation uncertainty, sensitivities to favourable and unfavourable movements in unobservable input parameters are assessed and presented in note 22(f) to the Quilter plc 2024 Annual Report.

The majority of the assets valued using valuation techniques where one or more significant inputs are unobservable are held within unit-linked policyholder funds. Changes in the value of assets held within unit-linked funds are exactly matched by corresponding changes in the value of liabilities to policyholders and therefore have no impact on the Group's net asset value or profit or loss, except to the extent that such changes impact on management fees earned and related expenditure.

D.5 Any other information

No other information on Quilter's valuation for solvency purposes was considered sufficiently material to require disclosure in this section.

Section E. Capital management

E.1 Own funds

E.1.1 Objectives, policies and processes for managing own funds

The Group operates a robust capital management framework to ensure the Group is able to provide a sufficient level of protection for the customer, to meet applicable regulatory requirements (in particular the UK Solvency II rules and the IFPR) and shareholder expectations. This framework covers the determination of capital requirements and own funds, capital planning processes, stress and scenario testing, capital monitoring and performance. Ultimate responsibility for the governance of solvency, capital and dividend decisions rests with the Quilter plc Board.

The Group has established an appropriate risk appetite framework and dividend policy, which ensures that the Group's balance sheet (in terms of capital, liquidity and leverage) is strong enough to support this risk appetite. The long-term solvency target established by the Group is sufficient to withstand a range of extreme scenarios (such as an extreme economic downturn scenario) while continuing to provide funding for key strategic initiatives and providing capital support to keep all the regulated entities above their regulatory capital requirements. Under each of these extreme scenarios, the Group continues operating viably and maintains a solvency ratio above the Group risk appetite limit throughout a three-year business planning period, after allowing for any management actions.

Each regulated entity has sufficient capital and liquidity resources to meet the solo regulatory capital requirements for the entity, together with a capital buffer to protect against significant stress events defined within the solo risk appetites, without any support from the Group other than to fund the business-critical strategic initiatives. The Group has a balance sheet that is able to provide capital support to the solo entities in excess of their individual solo risk appetites. The group-wide capital management policy ensures that surplus capital (above solo entities' internal targets) is remitted to the parent holding company, which enables capital to be deployed and managed more efficiently across the Group.

Estimates of the Group and solo solvency ratios, projections and sensitivities are produced regularly in order to understand the impact of significant internal and external events on the solvency position, and to ensure that the Group solvency position remains within the Group's risk appetite.

Any surplus capital above the solo target capital requirement is remitted to the Group, subject to the availability of distributable reserves, maintaining a sufficient level of liquidity and the medium-term capital requirements of the business. When assessing the medium-term capital requirements of the business, the capital and liquidity position of the Group and the individual entities are projected over a three-year period, taking into consideration future projected profits, restrictions on the movement of capital and cash, and any known or anticipated changes in the capital and liquidity requirements of the business.

During 2024, the actual capital and liquidity positions for the Group and the solo regulated entities were monitored regularly through the Group Financial Risk Management Committee ("GFRMC"). On a quarterly basis, the actual solvency and liquidity positions were reported against their risk appetite to the solo Boards and the Group Board Risk Committees.

The GFRMC, acting under the delegated authority from the Group Executive Risk Management Committee, is responsible for reviewing and monitoring the adequacy of capital and liquidity within the Group and the businesses, and met on a monthly basis during 2024. Examples of areas that were typically considered by the GFRMC included reviewing capital and liquidity stress testing, reviewing capital targets, monitoring credit risk exposures and reviewing capital plans. The GFRMC included executive-level senior management representatives from each of the regulated entities and the Group Finance function. The GFRMC, together with the CFOs and Boards of the solo entities discussed, agreed and made recommendations and provided management information to the Quilter Chief Financial Officer, and Chief Executive Officer in performing their responsibilities including the effective discharge of the relevant control functions and Senior Managers and Certification Regime requirements. The GFRMC is not constituted as a Board Committee.

The Group will maintain a disciplined approach to capital and liquidity, in order to balance its current and anticipated liquidity, regulatory capital and investment needs, with a view to returning excess capital to shareholders as appropriate. As part of its disciplined approach to capital and liquidity, the Group has a prudent capital management and liquidity policy.

In January 2023, the Group issued a £200 million subordinated debt security in the form of a subordinated 10.25-year Tier 2 bond with a one-time issuer call option after 5.25 years. The instrument will pay a semi-annual coupon of 8.625% per annum. In January 2024, the Group has renewed its £125 million revolving credit facility which remains undrawn and is being held for contingent funding purposes. Further information relating to the revolving credit facility can be found in note 38(d) to the Quilter plc 2024 Annual Report.

The subordinated debt security and the revolving credit facility are in place to ensure that the Group has sufficient capital and liquidity to maintain strong capital ratios and free cash balances to withstand severe but plausible stress scenarios. The full amount of the subordinated debt security was outstanding as at 31 December 2024, representing a leverage ratio of 16% (defined as the ratio of debt to debt plus the consolidated IFRS equity after deducting the intangible assets) before the payment of the proposed Final Dividend.

E.1.2 Group own funds position at 31 December 2024

As at 31 December 2024, Group own funds total £1,566 million (2023: £1,540 million) corresponding to a Group solvency coverage ratio of 219% (2023: 271%). The eligible own funds have increased in 2024, driven by positive net client cash flow and positive market growth, partly offset by the impact of Ongoing Advice Review and costs relating to acquisitions, business transformation and financing. The Group own funds figure is presented after deducting the proposed Final Dividend payment to shareholders announced in March 2025 of £57 million.

E.1.3 Composition and classification of own funds

The Group applies method 1 as referred to in chapter 11 of the PRA Rulebook to calculate the Group solvency position. The own funds items are classified into tiers depending on factors such as quality, liquidity and time required to make funds available when liabilities arise. The Group's Tier 1 own funds include share capital, share premiums, participations in other financial sector undertakings and reconciliation reserves. The Tier 2 own funds include subordinated liabilities.

£m	2024				2023			
	Total	Tier 1	Tier 2	Tier 3	Total	Tier 1	Tier 2	Tier 3
Ordinary Share capital	115	115	-	-	115	115	-	-
Ordinary Share premium reserve	58	58	-	-	58	58	-	-
Subordinated liabilities	200	-	200	-	204	-	204	-
Participations in other financial sector undertakings (unaudited)	541	541			506	506		
Reconciliation reserve	652	652	-	-	657	657	-	-
Total eligible own funds to meet the Group SCR	**1,566**	**1,366**	**200**	**-**	**1,540**	**1,335**	**204**	**-**

At 31 December 2024, the total Group own funds consist of £1,366 million of unrestricted Tier 1 capital resources and £200 million Tier 2 capital. The Tier 2 amount consists entirely of Quilter plc subordinated liabilities and does not incorporate any instruments issued by subsidiary businesses.

The Group has Ordinary Share capital of £115 million and a share premium reserve of £58 million. Share capital at 31 December 2024 and at 31 December 2023 consisted of 1,404,105,498 Ordinary Shares of 8 1/6 pence each with an aggregated nominal value of £114,668,616.Ordinary Share premium represents the cumulative amount by which the proceeds Quilter plc received for the shares issued exceeded the nominal value of the shares.

Subordinated liabilities of £200 million (2023: £204 million) comprise the debt security listed on the London Stock Exchange described above. The subordinated liability is valued at its market value for solvency purposes, adjusted to reflect the own credit standing of Quilter plc at inception of the instrument.

The reconciliation reserve is calculated as the excess of assets over liabilities from the solvency balance sheet less other basic own funds items (Ordinary Share capital and Ordinary Share premium) less participations in other financial sector undertakings less any foreseeable dividend and fungibility deductions.

The fungibility deductions total £49 million and relate to the deferred tax assets from a number of UK holding companies and non-financial undertakings.

The Group and its UK insurance subsidiary have no ancillary own funds and no Tier 3 own funds.

Intragroup transactions between entities included in the consolidated insurance group are eliminated on consolidation when preparing the Group's solvency balance sheet. Where entities consolidated on a line-by-line basis hold investments in the Group's asset management and advisory businesses, these investments are eliminated and replaced with the own funds of the asset management and advisory entities on a sectoral basis.

The Group has not placed reliance on the use of transitional measures as set out in the UK Solvency II rules and has not applied for the use of the matching adjustment or the volatility adjustment mechanism.

E.1.4 Reconciliation between Group own funds and IFRS equity

The IFRS accounting basis is used as the starting point for our solvency balance sheet. The table below presents the reconciliation between IFRS equity and own funds (post fungibility restriction).

IFRS equity compared to Group own funds £m	31 December 2024	31 December 2023
IFRS equity	1,423	1,519
Revaluation of technical provision (net of deferred tax)	512	373
Removal of goodwill and intangibles	(339)	(372)
Removal of contract-related balances	(24)	(16)
Removal of deferred tax on intangibles and contract-related balances	4	10
Revaluation of subordinated debt	2	(2)
Investment business adjustments (unaudited) and exclusion of Quilter Insurance Company Limited	(107)	(82)
Net assets for solvency purposes	**1,471**	**1,429**
Inclusion of subordinated debt	200	204
Fungibility restriction	(49)	(44)
Deduction of foreseeable dividends	(57)	(50)
Total Group own funds	**1,566**	**1,540**

Revaluation of technical provision (net of deferred tax)

Technical provisions are valued as the best estimate of future cash flows plus a risk margin. See also Section D.1.

Removal of goodwill and intangibles

Goodwill and intangibles are assets that are recognised under IFRS however these are valued at £nil for solvency purposes. See also Section D.1.

Contract-relates balances

Contract costs are excluded from the solvency balance sheet. See also Section D.1.

Revaluation and reclassification of subordinated debt

Quilter plc's subordinated debt qualifies as capital for solvency purposes.

Under IFRS, the subordinated debt is valued at amortised cost and hence its valuation does not change due to changes in interest rates. For solvency purposes, the debt is valued at market value and hence its valuation changes with changes in interest rates (removing any increase or decrease in the value as a result of changes in the Group's own credit standing after initial recognition).

Fungibility restrictions

Fungibility restrictions mainly result from the deferred tax assets in the UK companies, which are not considered available to absorb losses.

E.1.5 Available and eligible own funds

The Group's available and eligible own funds are set out in the sections below.

E.1.5.1 Available own funds

The availability of own funds relates to the ability of capital resources located in one entity in the Group to absorb losses that arise in another Group entity. In line with the UK Solvency II rules and applicable guidance, the following criteria are used when considering the availability of own funds to the Group:

- whether the own fund item is subject to legal or regulatory requirements that restrict the ability of that item to absorb all types of losses wherever they arise in the Group;
- whether there are legal or regulatory requirements that restrict the transferability of assets to another entity in the Group; and
- whether making those own funds available for covering the Group solvency capital requirement would not be possible within a maximum of nine months.

The Group fungibility deduction of £49 million comprises a deduction for the deferred tax assets in participations and in holding companies in line with the UK Solvency II rules and applicable guidance.

E.1.5.2 Eligible own funds to meet SCR

To meet the consolidated Group SCR requirements, the UK Solvency II rules require that limits are imposed upon the eligible amounts of Tier 2 and Tier 3 items, which are as follows:

- Eligible Tier 1 items shall account for at least 50% of the SCR.
- Eligible Tier 3 items shall account for less than 15% of the SCR.
- The sum of eligible Tier 2 and eligible Tier 3 items shall not account for more than 50% of the SCR.
- Within these limits, the sum of paid-in preference shares (and the related share premium account) and paid-in subordinated liabilities classified as Tier 1 shall make up less than 20% of the total amount of Tier 1 items. Items exceeding this limit need to be reclassified to Tier 2.

The Group only has unrestricted Tier 1 and Tier 2 own funds items at 31 December 2024. For the SCR eligibility criteria, the eligible amounts of Tier 2 items for the Group do not account for more than 50% of the Group SCR. Hence, there is no eligibility restriction when calculating the ratio of eligible own funds to the consolidated Group SCR at 31 December 2024.

31 December 2024 £m	Total	Tier 1	Tier 2	Tier 3
Total eligible own funds to meet the Group SCR	1,566	1,366	200	-

E.1.5.3 Eligible own funds to meet minimum solvency capital requirements

To meet minimum consolidated group solvency capital requirements, the UK Solvency II rules require that limits are imposed upon the eligible amounts of Tier 2 items, which are as follows:

- Eligible Tier 1 items shall account for at least 80% of the minimum consolidated group solvency capital requirement (“MCGSCR”).
- Eligible Tier 2 items shall not account for more than 20% of the MCGSCR.
- Within these limits, the sum of paid-in preference shares (and the related share premium account) and paid-in subordinated liabilities classified as Tier 1 shall make up less than 20% of the total amount of Tier 1 items. Items exceeding this limit need to be reclassified to Tier 2.
- Tier 3 items are not eligible to cover the MCGSCR.

For the MCGSCR eligibility criteria, the eligible amount of Tier 2 shall not exceed 20% of the Group’s MCGSCR of £202 million. This has resulted in a £159 million restriction on Tier 2 own funds when calculating the ratio of eligible own funds to MCGSCR at 31 December 2024.

Also, by definition, the total amount of eligible own funds to meet the MCGSCR is after deductions for participations in other financial sector undertakings, such as the non-regulated undertakings carrying out financial activities. This participation value amounts to £541 million for the Group.

31 December 2024 £m	Total	Tier 1	Tier 2	Tier 3
Basic own funds before deductions	1,566	1,366	200	-
Deduction for participations in other financial sector undertakings (unaudited)	(541)	(541)	-	-
Eligibility restriction on MCGSCR	(159)	-	(159)	-
Total eligible own funds to meet the MCGSCR	**865**	**825**	**40**	**-**

E.2 Solvency Capital Requirement and Minimum Capital Requirement (“MCR”)

This section provides information on the Group’s solvency capital requirement and minimum consolidated group solvency capital requirement at 31 December 2024.

E.2.1 Calculation of Group SCR

The Group applies method 1 to calculate the Group solvency position. The Group SCR is calculated by applying the Standard Formula to the consolidated data of the insurance entity and certain holding companies, allowing for diversification benefits between the risk modules and between entities. QLPL is the only insurance entity in the Group that is subject to UK Solvency II reporting.

The capital requirements for the Quilter asset management and advisory entities are included in the Group SCR based on the sectoral rules within the IFPR.

Risk modules £m	31 December 2024	31 December 2023	Change
Market risk	362	288	74
Counterparty default risk	8	12	(4)
Life underwriting risk	353	294	59
Total before diversification	**723**	**594**	**129**
Diversification	(155)	(130)	(25)
Basic solvency capital requirement	**568**	**464**	**103**
Operational risk	12	12	-
Loss-absorbing capacity of deferred taxes	(129)	(163)	34
Other financial sector entities (unaudited)	264	255	9
Group solvency capital requirement	**715**	**568**	**147**

The Group SCR as at 31 December 2024 is £715 million (2023: £568 million). It has increased by £147 million over 2024. The key components of the change include:

- The SCR for the market risk module has increased mainly due to a rise in the AuA, driven by positive net client cash flow and equity market growth over 2024, which has resulted in higher projected future asset-based revenues that are exposed to market risks. The increase in the Standard Formula symmetric adjustment has also increased the equity stresses applied under the Standard Formula.
- The counterparty default risk SCR has decreased slightly over 2024 due to a reduction in the Group’s external counterparty exposure and an increase in the proportion of exposure to counterparties with high credit ratings.
- The life underwriting risk component of SCR has increased over 2024. This is due to an increase in the lapse risk SCR from the rise in the AuA, which has resulted in an increase in the projected asset-based revenues. The expense risk SCR has decreased over 2024.
- The Standard Formula operational risk SCR for QLPL has remained flat over 2024.

The diversification benefit within the SCR calculation is determined based on the relative sizes of the risks and the correlation assumptions between them. The Standard Formula prescribes the correlation factors within the risk modules and between the risk modules. There are two levels of diversification within the Group’s SCR calculation:

- intra-risk module diversification exists within the market risk module, the life underwriting risk module and the counterparty default risk module, e.g. within the market risk module, diversification benefit exists between the equity risk and interest rate risk. The SCR for each risk module shown in the above table is stated after the deduction of this diversification. It amounts to a total of £133 million across all three modules; and
- inter-risk module diversification exists between the market risk module, the life underwriting risk module and the counterparty default risk module. This amounts to £155 million and is shown separately in the table above.

The inter-risk module diversification benefit observed for year end 2024 has increased due to the increase in the SCR for each risk module.

There are net deferred tax liabilities on the Group solvency base balance sheet as at 31 December 2024. The following individual deferred tax assets are netted against deferred tax liabilities within the QLPL balance sheet based on the relevant IFRS accounting standard (IAS 12):

- £16 million DTA on the Risk Margin introduced by the UK Solvency II regime;
- £6 million DTA relating to historical trading losses brought forward; and
- £2 million DTA relating to deferred acquisition expenses (spread over seven years for tax purposes).

All of the DTAs are recoverable through the reversal of taxable temporary differences on which the DTL is recognised on the base balance sheet for solvency purpose.

The loss-absorbing capacity of deferred taxes ("LACDT") reduces the Group SCR by £129 million at 31 December 2024 (2023: £163 million). The amount of LACDT represents the reduction in its DTL under the 1-in-200 year stressed scenario. Quilter has not recognised any net deferred tax assets or any tax carry backs under the 1-in-200 year stressed scenarios for the purpose of assessing the amount of LACDT.

The decrease in LACDT in 2024 is due to a change in operational policy which has resulted in the exclusion of some components of the DTL from the loss-absorbency recognition.

The capital requirement for the other financial sector entities has increased over 2024.

E.2.2 Calculation of Minimum Consolidated Group SCR

The MCGSCR is calculated as a floor to the Group SCR for the Method 1 consolidated insurance group. This is calculated as the sum of:

- Solvency UK Minimum Capital Requirement for all UK method 1 entities (i.e. QLPL), calculated using a formulaic approach (based on items such as technical provisions and premiums), which is subject to a minimum of 25% of the solo SCR and a maximum of 45% of the solo SCR; and
- local capital requirements, at which the authorisation would be withdrawn, for all method 1 entities outside of the UK.

As QLPL is the only insurance entity in the Group subject to the UK Solvency II rules, the MCGSCR is therefore set equal to the QLPL MCR of £202 million at 31 December 2024 (2023: £137 million). This corresponds to a coverage ratio of 427% (2023: 627%) when compared to the Group own funds eligible to meet the MCGSCR.

E.2.3 Other information on the calculation of SCR

At 31 December 2024, neither the Group nor its UK insurance undertaking are required to hold a capital add-on in excess of the calculated SCR position. Neither the Group nor its UK insurance undertaking utilise any undertaking specific parameters or any simplified calculation options when calculating the SCR.

E.3 Difference between the Standard Formula and any internal model used

No internal model or partial internal model has been used in the calculation of the SCR for the Group or its UK insurance undertaking.

E.4 Non-compliance with the MCR and SCR

The Group as well as its UK insurance subsidiary have maintained own funds in excess of both the respective SCRs and the MCGSCR/MCR throughout 2024.

E.5 Any other information

Appendix F.1 contains further information on QLPL.

Section F. Appendices

Appendix F.1 Quilter Life & Pensions Limited solo SFCR disclosures

Solo SFCR disclosures

This appendix provides further information relating to Quilter Life & Pensions Limited to supplement the information contained in the body of the Group SFCR. The appendix is structured based on the standard headings and subheadings used in the body of the Group SFCR.

Contents:

Summary

About Quilter Life & Pensions Limited

Quilter Life & Pensions Limited ("QLPL", "the Company"), a private limited company incorporated in England and Wales and domiciled in the United Kingdom ("UK"), is a leading investment platform provider of retail advised wealth management products and services. QLPL largely serves an affluent customer base through Quilter Financial Planning and third-party financial advisers. QLPL's company registration number is 04163431.

Quilter Life & Pensions Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. QLPL's Financial Services register number is 207977.

About this appendix

This appendix has been prepared in line with the requirements of UK Solvency II legislation, to help Quilter's customers and other stakeholders to understand the nature of the business, how the business is managed, and its capital position. It contains entity-level information relating to Quilter Life & Pensions Limited and should be read in conjunction with the body of the Group SFCR.

Business and performance

QLPL's strategic priorities are aligned to the Group's broader strategy and include building the investment proposition and leveraging the benefits from being a full-service wealth management business. Section A of this appendix contains information on QLPL's structure, operations and financial performance during 2024.

Adjusted profit is an alternative performance measure used by the Company as a measure of its profitability after excluding certain one-off items that is used for management decision making and internal performance management. Adjusted profit before tax for 2024 was £84 million (2023: £69 million).

System of governance

The system of governance is the overall framework of policies, standards and practices which is in place to meet the requirements of sound risk-based management and which applies to QLPL and other Quilter entities. The framework is set out in the Group Governance Manual which is reviewed on an annual basis, or whenever there is a material change in the Group's business which requires a change to the system of governance.

Section B of the body of the Group SFCR contains further information on Quilter's system of governance, in particular:

- the structure of the system of governance;
- the role of the Quilter Board and information on the Board of Directors;
- the role of Committees of the Board;
- Quilter's key functions;
- remuneration policies;
- principles used in assessing fitness and propriety of key functions and the Board of Directors;
- overview of the risk management system;
- overview of the internal control system;
- information on the role and independence of the Internal Audit function;
- information on the role of the Actuarial function; and
- information on the Group's outsourcing policy and outsourced services.

Risk profile

The QLPL Board has carried out a robust assessment of the principal strategic risks facing QLPL, including those that would threaten its business model, future performance, solvency and liquidity.

QLPL has adopted the Standard Formula specified in UK Solvency II legislation to assess capital risks. QLPL uses the Standard Formula to calculate the solvency capital requirement, reflecting QLPL's capital risk profile covering underwriting, market, credit and operational risks.

Risk components of the Solvency Capital Requirement ("SCR")

Based on the Standard Formula, QLPL had an SCR of £450 million at 31 December 2024 (2023: £304 million). Life underwriting risk and market risk are the largest components of QLPL's SCR making up 47% respectively of the total.

Valuation for solvency purposes

There have been no material changes in the solvency valuation methods used by QLPL during the year.

Assets and liabilities are valued in QLPL's solvency balance sheet in accordance with the UK solvency rules and guidelines. The valuation rules are based on the principle that assets and liabilities should be valued at fair value. Fair value is essentially the amount that a knowledgeable third party would be willing to pay in an arm's length transaction. The majority of QLPL's assets are valued based on quoted market prices for those assets or other observable data from active markets.

Section D of this appendix provides further information on methods and assumptions used in the valuation of assets, technical provisions and other liabilities and an explanation of the main differences between the basis of valuation used to prepare the Annual Report and the solvency valuation rules.

For the year ended 31 December 2024, the Company adopted International Financial Reporting Standards ("IFRS") (2023: Financial Reporting Standards 101, "FRS 101") as the basis of preparation for its Annual Report.

There has been no change in the accounting policies, assumptions, judgements and estimates applied by the Company resulting from the adoption of IFRS, since assets and liabilities continue to be valued on a consistent basis. Therefore, this change in basis of preparation has not resulted in any changes to the comparative results or balances brought forward from those previously reported in the Company's Annual Report for the year ended 31 December 2024.

Capital management

QLPL operates a robust capital management framework to ensure the optimisation of the balance between policyholder protection and the expectations of Quilter plc shareholders. The Group Capital Management Policy is closely linked to risk management objectives. It covers the determination of capital requirements and own funds, capital planning processes, stress and scenario testing and capital monitoring and performance.

At 31 December 2024, QLPL had total eligible own funds to meet the SCR of £724 million (2023: £650 million). The SCR, which is calculated, based on the Standard Formula, was £450 million (2023: £304 million). The overall QLPL surplus position was £274 million (2023: £346 million) with a solvency coverage ratio of 161% (2023: 214%). At 31 December 2024, QLPL's minimum capital requirement was £202 million (2023: £137 million). The Company's available own funds consist entirely of Tier 1 own funds items that are eligible to cover both the minimum capital requirement and the solvency capital requirement.

Throughout 2024, QLPL has complied with all applicable regulatory capital requirements.

QLPL continues to carefully consider its long-term financial strength including projections of liquidity and solvency under the prolonged market stresses and its ability to withstand such market stresses, giving due consideration to policyholder protection and its internal risk appetite statement.

Section A. Business and performance

A.1 Business

A.1.1 The firm's name and legal form

The firm is named Quilter Life & Pensions Limited. QLPL is a private limited company within the Quilter plc Group.

A.1.2 Name and contact details of the supervisory authorities

Details of the supervisory authorities for QLPL and its ultimate holding company Quilter plc are detailed in section A.1.3 of the Group SFCR.

A.1.3 External auditor

Details of the external auditor of QLPL and its ultimate holding company Quilter plc are detailed in section A.1.4 of the Group SFCR.

A.1.4 Ownership of the firm

QLPL is fully owned by the Quilter plc Group. For details of ownership of Quilter plc please refer to section A.1.5 of the body of the Group SFCR.

A.1.5 UK Solvency II reporting currency

QLPL reports on a UK Solvency II basis in GBP.

A.1.6 QLPL position within the legal structure of the group

The legal structure of the Quilter plc Group can be found in section A.1.11. of the body of the Group SFCR. The location of the immediate parent undertaking is as follows:

Quilter UK Holding Limited
Senator House
85 Queen Victoria Street
London
EC4V 4AB

A.1.7 QLPL lines of business

QLPL offers two products which are sold 100% in the UK, the Collective Retirement Account (a platform pension product) and the Collective Investment Bond (a platform UK bond product). The following table provides a summary of the in-force business for QLPL, as at 31 December 2024.

Product Category	No. of plans in force	Unit reserves £m
Collective Retirement Account	265,661	45,358
Collective Investment Bond	45,087	6,400
Total	**310,749**	**51,758**

A.1.7.1 Collective Retirement Account ("CRA")

The CRA is a flexible unit-linked pension product which accepts single and regular premiums and may be used by the policyholder to provide regular and ad hoc drawdown income during their retirement.

A.1.7.2 Collective Investment Bond ("CIB")

The CIB is a single premium unit-linked whole of life assurance contract available on a single life or joint life (last death) basis. Customers can select a capital protected death benefit. In this case, the payment on death of the life assured is the higher of the total premiums paid less any withdrawals made and 101% of the bond value.

A.1.8 Significant changes over the reporting period

A.1.8.1 Product range changes

New products

No new products were launched during 2024.

Product design changes

There have been no significant product design changes during 2024.

Other changes

There have been no other significant changes to the product offering during 2024.

A.1.8.2 Company structure and changes

The Company forms part of the Quilter Investment Platform, which in turn forms part of the Quilter plc group ("the Group"). Quilter plc is the ultimate parent company and delivers strategic and governance oversight. Quilter plc's Ordinary Shares are listed on the London and Johannesburg Stock Exchanges.

A.1.8.3 Significant events

Refer to section A.1.12 of the main document.

A.2 Underwriting performance

A.2.1 Underwriting performance over the period

The internal measure of profit is adjusted profit. Adjusted profit is a measure of profitability which adjusts the statutory profit measure to remove specific non-operating items. Adjusted profit excludes items which are one-off and, due to their size or nature, are not indicative of the long-term operating performance of QLPL. These items are analysed in section A.4 of this appendix.

Underwriting performance arises on the CIB product and all business is transacted within the United Kingdom. Underwriting performance combined with the 'Investment Performance' table (Section A.3.1 of this appendix) comprises pre-tax AP.

In the context of business carried out by QLPL, premiums and claims transactions on unit-linked insurance business recorded within the IFRS Statement of comprehensive income are immaterial. Premiums relate to life cover, protecting the policyholder against the event of the bond value falling below the initial investment value. This arrangement is an option for those policyholders who wish to guarantee that the value of their bonds do not fall below initial investment value.

Claims include the 1% life assurance benefit on this product (which is not reinsured), for which QLPL does not charge a direct premium.

A.3 Investment performance

A.3.1 Income and expenses arising from investments over the reporting period

Investment income and expenses of QLPL are shown in the table below:

£m	31 December 2024	31 December 2023 (Restated) [1]
Investments for the benefit of policyholders		
Fee income	129	118
Total policyholders	**129**	**118**
Interest received	32	25
Other income	7	2
Total shareholders	**39**	**27**
Expenses	**(84)**	**(75)**
Income less expenses	**84**	**70**

[1] Expenses have been restated to reclassify items included which represent Other income of £2 million relating to interest on the intercompany loan and interest on tax due back from HMRC. These do not sit directly within Shareholder income and instead have been included as Other income.

Fee income

Fees charged for managing investment contracts comprise fees taken throughout the life of the contract. All fee income is recognised as revenue in line with the provision of investment management services. Fee income is higher in 2024 compared to the prior year. The Company received greater annual management charges during 2024, a result of increased Assets under Administration ("AuA") partially offset by reduced margins attributable to a full year impact of the application of price reductions in 2023 and the removal of annual management charges on client cash balances in the year.

Shareholder income

Shareholder income represents interest received on cash and cash equivalents, and gains/losses on shareholder assets. The increase in 2024 is a result of higher average interest rates and average balances on money market funds and a full year of a margin retention on policyholder cash interest.

Expenses

Administration expenses are allocated between products based on appropriate allocation drivers such as number of policies in force.

A.3.1.1 Gains and losses recognised directly in equity over the reporting period.

There were no gains and losses recognised directly in equity over the reporting period.

A.3.2 Investments in securitisation over the reporting period

QLPL has no exposure to investments in securitisation.

A.4 Performance of other activities

The 2024 adjusted profit result consists of QLPL's underwriting and investment performance as described above – there were no other activities undertaken by QLPL. However, as discussed in section A.2, adjusted profit excludes certain one-off items. The reconciliation between adjusted profit and profit before tax is as follows:

£m	31 December 2024	31 December 2023
Pre-tax adjusted profit	**84**	**70**
Final plan closure provision	-	-
Income tax attributable to policyholders	95	76
Policyholder tax smoothing adjustment	(90)	(62)
Pre-tax profit	**88**	**84**

The Policyholder tax smoothing adjustment represents adjustments to policyholder tax to remove distortions arising from market volatility and other non-operating items that can in turn lead to volatility in policyholder tax between periods.

Income tax attributable to policyholders is reported as a pre-tax item within adjusted profit but as a post-tax item on a statutory basis. The variance to prior year is primarily a result of continued market gains in 2024.

A.5 Any other information

The Company is focused on the delivery of key strategic growth initiatives to drive platform flows from both the Quilter and independent financial adviser channels whilst deepening the value of Quilter's integrated proposition through the coming together of our advice, platform and investment businesses under the Affluent segment. The Company is focused on building a strong and growing business, delivering to advisers and customers whilst working with our technology partners to enhance efficiency and deliver end-to-end digital solutions.

A summary of "Significant Events" is provided within section A.1.12 of the main body of the report.

Section B. System of governance

B.1 General information on the system of governance

The Group system of governance is applied to QLPL. Please see section B.1 of the Group SFCR for details.

B.1.1 QLPL Board of Directors

Members of the QLPL Board who served during the year ended 31 December 2024 were as follows:

Name	Role	Date of joining/leaving Board
Steven Levin	Chief Executive	Appointed 29 October 2015
Mark Satchel	Executive Director	Appointed 14 September 2023
Ruth Markland	Non-executive Director	Appointed 1 September 2023
Neeta Atkar	Non-executive Director	Appointed 1 September 2023
Tim Breedon	Non-executive Director	Appointed 1 September 2023 Resigned 11 September 2024
Tazim Essani	Non-executive Director	Appointed 1 September 2023 Resigned 23 May 2024
Chris Hill	Non-executive Director	Appointed 7 March 2024
Moira Kilcoyne	Non-executive Director	Appointed 1 September 2023
Paul Matthews	Non-executive Director	Appointed 1 September 2023 Resigned 23 May 2024
Alison Morris	Non-executive Director	Appointed 9 September 2024
George Reid	Non-executive Director	Appointed 8 November 2017
Chris Samuel	Non-executive Director	Appointed 1 September 2023

B.1.2 Roles and duties of the QLPL Board

The QLPL Board is accountable for the long-term success of the Company for the benefit of its shareholders as a whole and for providing leadership within a framework of effective risk management and control. The Board is responsible for delivering the business strategy and objectives.

Directors are expected to add real value to the business, through their knowledge and experience of the business and to have the ability to identify risks and provide robust challenge. The QLPL Board is required to hold executives to account in respect of business performance, the identification and mitigation of key risks, regulatory responsibility and customer outcomes and to support the delivery of the business' strategy within the context of the overall Quilter strategy. The QLPL Board is required to identify potential conflicts of interest with its parent and ensure that these are appropriately managed particularly if this is likely to impact the safety and soundness of the Company.

Whilst strategy is set by the Quilter Board and reliance is placed on the QLPL Board to oversee delivery of the strategy, input from the QLPL Board is sought on its business-level strategy. The QLPL Board should promote strategic developments that puts customers at the heart of the business and promotes long-term sustainable value creation.

B.1.3 Board Committees

The QLPL Board has established the Board Audit Committee and the Board Risk Committee as the principal standing Committees of the Board.

The role of the Board Audit Committee is principally to review and monitor all material audit-related matters on behalf of the QLPL Board and, where appropriate, make recommendations to the QLPL Board. The Board Audit Committee reports to the QLPL Board and the Quilter plc Board Audit Committee on its proceedings.

The membership of the Board Audit Committee comprises at least two Non-executive Directors of QLPL appointed by the Board. At least one member has recent and relevant financial experience and competence in accounting and/or auditing. The Committee as a whole has competence relevant to the sector in which the Company operates.

The role of the Board Risk Committee is principally to review and monitor all material risk-related matters on behalf of the QLPL Board and, where appropriate, make recommendations to the QLPL Board. The Board Risk Committee reports to the QLPL Board and the Quilter plc Board Risk Committee on its proceedings. The membership of the Board Risk Committee comprises at least two Non-executive Directors of QLPL appointed by the Board. At least one member has experience with regard to risk management issues and practices. The Committee as a whole has competence relevant to the sector in which the Company operates.

During the year, the Board agreed to close the Investment Oversight Committee ("IOC"), whose responsibilities included reviewing investment portfolio performance. Responsibilities of the IOC have been transitioned to the Board and its remaining Committees.

B.1.4 Key functions

In identifying the key functions within QLPL, consideration was given to those functions whose operation, if not properly managed and overseen could, depending on the nature and complexity of the business, potentially lead to significant losses being incurred, or to a failure in the ongoing ability of the firm to meet its obligations to policyholders, together with those that are mandatory for dual-regulated firms. The mandatory key functions are Actuarial, Risk Management, Compliance and Internal Audit. In addition, QLPL has assessed the additional key functions that either effectively run the business or functions which are of specific importance to its sound and prudent management, including all Senior Management Functions ("SMF"). The key functions of QLPL and the responsibilities of the key functions are set out in the following table, along with the regulatory control functions performed by the individuals, where relevant.

Key Function	Responsibility	Name	Role	SMCR Senior Management Function
Chief Executive	Has delegated authority from the Board for the day-to-day management of the whole of the business of the firm.	Steven Levin	Chief Executive Officer	SMF1
Finance	For the sound and prudent management of the business by managing the financial resources and capital and liquidity positions.	Mark Satchel	Chief Financial Officer	SMF2
Marketing	This function includes design and production of marketing materials, branding and financial promotions within its remit.	Stephen Gazard	Chief Distribution Officer	SMF18
Risk Management	A description of the risk management system is provided in section B3 of the main document.	Nicholas Sacre-Hardy (from 12 October 2024)[1] Previously, Priti Verma	Chief Risk Officer	SMF4
Actuarial	The responsibilities of the Actuarial function are set out in section B.6 of the main document.	John Mitchell	Capital and Treasury Director	SMF20
Compliance	The responsibilities of the Compliance Function are set out in section B.4.2 of the main document.	Nicholas Sacre-Hardy (from 12 October 2024)[1] Previously, Priti Verma	Chief Risk Officer	SMF16
Operations	Overall responsibility for the day-to-day operations of the firm in relation to Customer Services.	Sarah Houlston (from 13 November 2024) Previously, Karin Cook	Chief Operating Officer	SMF24
Information Technology	Overall responsibility for the firm's information technology, enterprise change and information security functions.	Sarah Houlston (from 13 November 2024) Previously, Karin Cook	Chief Information Officer	SMF24
Human Resources	For Fitness & Propriety, recruitment and performance management.	Penny Cole	Human Resources Director	SMF18
Financial Crime	The identification of the key financial crime risks applicable to the firm and development of effective and proportionate controls to mitigate these risks.	Julie Sadler (from 12 October 2024)[2] Priti Verma (11 January - 11 October 2024)[3] Previously, Debbie Barton	Money Laundering Reporting Officer (MLRO)	SMF17
Product	Responsibility for product and propositional design, development and management.	Stephen Gazard	Chief Distribution Officer	SMF18
Distribution	Responsibility for the Distribution function.	Stephen Gazard	Chief Distribution Officer	SMF18

Key Function	Responsibility	Name	Role	SMCR Senior Management Function
Investments	Responsibility for the delivery of portfolio management.	Marcus Brookes	Chief Investment Officer	SMF18
Internal Audit	The responsibilities of the Internal Audit function are set out in section B.5 of the main document.	Daniel Baynton	Chief Internal Auditor	SMF5
Chair of Governing Body	Chairing, and overseeing the performance of the governing body.	Ruth Markland	Chair of Quilter plc and QLPL Board	SMF9
Chair of the Risk Committee	Chairing and overseeing the performance of the Risk Committee responsible for the oversight of the risk management system.	Neeta Atkar	Chair of the Quilter plc and QLPL Board Risk Committee	SMF10
Chair of the Audit Committee	Chairing and overseeing the performance of the Audit Committee responsible for the oversight of the Internal Audit function.	George Reid	Chair of the Quilter plc and QLPL Board Audit Committee	SMF11
Chair of the Remuneration Committee	Responsibility for overseeing the development of, and implementation of, the firm's remuneration policies and practices.	Neeta Atkar (from 21 November 2024) Previously, Tim Breedon	Chair of the Remuneration Committee	SMF7
Chair of the Nomination Committee	Chairing and overseeing the performance of the Nomination Committee of the firm.	Ruth Markland	Chair of the Nominations Committee	SMF9

[1] *Regulatory approval received on 13 January 2025.*

[2] *Regulatory approval received on 23 January 2025.*

[3] *Priti Verma held responsibilities for MLRO without SMF17 approvals. The FCA were made aware of this position.*

B.1.5 Material Transactions for holdings in QLPL over the period

During the final quarter, QLPL extended the loan to its holding company, Quilter UK Holding Limited, by £80 million to £130 million in support of the wider Group's working capital requirements. Dividends totaling £55 million were paid up to the holding company during the year.

B.1.6 Assessment of adequacy of the system of governance

The QLPL Board is satisfied that a robust governance structure is in place, which is fit for purpose.

B.2 Fit and proper requirements

For details relating to 'fit and proper requirements' adopted by QLPL, refer to section B.2 of the main document.

B.3 Risk management system including own risk and solvency assessment

For details relating to the risk management system, including own risk and solvency assessment adopted by QLPL, refer to section B.3 of the main document.

B.4 Internal control system

For details relating to the internal control system adopted by QLPL, refer to section B.4 of the main document.

B.5 Internal Audit function

For details relating to the Internal Audit function utilised by QLPL, refer to section B.5 of the main document.

B.6 Actuarial function

For details relating to the Actuarial function utilised by QLPL, refer to section B.6 of the main document.

B.7 Outsourcing

B.7.1 Critical or important outsourcing arrangements

Details of the Company's outsourcing policy are provided in section B.7 of the main document.

The Company assesses whether outsourced activities are 'Critical or Important' on the basis of the activities being outsourced and dependency on these arrangements for that service. The assessment reviews whether these activities are essential to the operation of the firm and whether it would be able to deliver its services to policyholders without this outsourced activity operating. Once confirmed, each new relationship is submitted for regulatory notification. The risks that may occur through transitioning the service are reviewed along with the risks inherent in the service. In each instance processes and controls are established to mitigate the risks from the arrangement. Accountable executives are identified and a robust ongoing governance structure is implemented to ensure that the service continues to adhere to the principles outlined in the Third Party Management Policy and Standards suite.

During the year, the nature of critical or important arrangements primarily included the provision of wealth and investment transaction services and application maintenance. Material outsourced services were predominantly provided from the UK.

B.8 Any other information

No other information on QLPL's system of governance was considered sufficiently material to require disclosure in this section.

Section C. Risk profile

The pie chart below sets out the risk profile based on the SCR, determined using the Standard Formula of the UK Solvency II regime, with each of the key risks covered in the following sections.

Risk profile drivers

The risk profile reflects the nature of the Company's product offerings of unit-linked pensions and investment bond business. Key features of these risk exposures are as follows:

- investment risks are largely transferred to customers through the use of unit-linked product structures. The Company has second-order market risk exposure on asset-based revenues, which are driven by the AuA;
- the Company is generally exposed to loss of future revenue through higher-than-expected surrender and withdrawal experience; and
- the Company does not offer direct investment guarantees or take on complex financial insurance risks (such as pension annuities).

The main risk categories to which the Company is exposed are life underwriting risk and market risk. These contribute 94% of its total risk exposure. Lapse risk, the largest component of the life underwriting risk, represents the risk of loss of own funds as a result of a higher than-expected future surrender/withdrawal experience. It is a significant risk because the unit-linked investment products offered by the Company do not levy any early encashment charges in the event of clients surrendering their policies earlier than anticipated.

Market risk is a significant risk since the business derives a large proportion of the future revenues in the form of asset-based revenues, principally as a result of product charges being levied as percentages of the market values of clients' portfolios. Large market falls would reduce the AuA and negatively impact asset-based revenues and own funds.

Further details on the specific risk drivers are provided in the following sections.

Measures used to assess risks

Based on the Standard Formula, QLPL has a SCR of £450 million as at 31 December 2024.

Change in the risk profile over the period to 31 December 2024

The table below provides details of QLPL's risk profile in terms of SCR capital. It also highlights the change in the risk profile over the valuation period.

Risk modules £m	Capital requirement based on Standard Formula		Change
	31 December 2024	31 December 2023	
Market risk SCR module	353	273	79
Life underwriting risk SCR module	353	294	59
Operational risk SCR module	12	12	-
Credit risk SCR module	26	17	9
Diversification (Inter module)	(165)	(130)	(35)
Loss-absorbing capacity of deferred tax	(129)	(163)	34
Solvency capital requirement	**450**	**304**	**146**
Diversification benefit	**22%**	**22%**	**-**

QLPL does not expect material change in its risk profile each year. The main driver to the change in the size of the SCR for the individual risk module relates to the movement in AuA, which is primarily driven by the growth of the business and market performance over the year.

The SCR of £450 million is after the adjustment for diversification and allowance for loss-absorbing capacity of deferred tax.

The adjustment for loss-absorbing capacity of deferred tax represents the change in deferred tax liabilities between the base solvency balance sheet and the stressed balance sheet under the 1-in-200 year stressed scenario. This effectively means that should the 1-in-200 year loss occur, the deferred tax liabilities for the Company will also reduce, hence reducing the net impact of such a loss.

C.1 Underwriting risk

Life underwriting risk arises through exposure to unfavourable operating experience on unit-linked insurance products. Life underwriting risk includes lapse risk, expense risk and mortality risk.

The key underwriting risk exposures for the Company are as follows:

Lapse risk

Lapse risk is the risk of higher-than-expected experience of surrender and partial withdrawal on unit-linked insurance business.

An increase in surrender or partial withdrawal rates represents a risk to the Company as this would result in lower-than-expected future revenues from the Company.

Expense risk

Expense risk is the risk that future maintenance expense levels and future expense inflation are higher than assumed in the best estimate projection. This would result in lower-than-expected profitability and dividend paying capacity of the Company.

Mortality risk

Mortality risk is the risk that death claims on policies which provide life insurance benefits are higher than expected.

C.1.1 Life underwriting risk at 31 December 2024

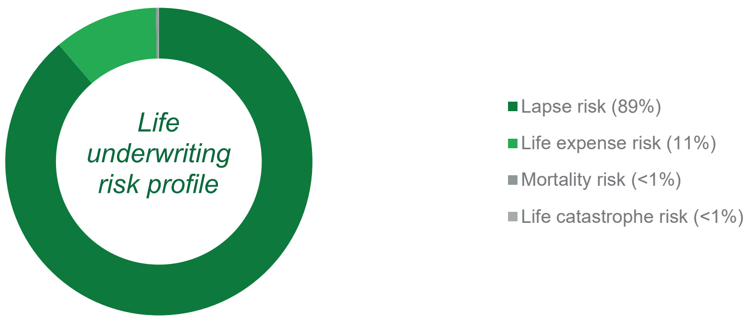
Life underwriting risk is measured through the following approaches:

- The capital requirement for each underwriting risk exposure is calculated using the Standard Formula.
- Sensitivity testing is performed in respect of underwriting risks in order to determine the impact of changes in experience on the value of Own Funds, the SCR and the solvency ratio.

As at 31 December 2024, the underwriting risk module solvency capital requirement is £353 million with intra-module diversification of 10% (i.e. allowance for diversification between underwriting risks).

The pie chart below sets out the drivers of the £353 million underwriting risk:

- most of the exposure to underwriting risk is from lapse risk. This accounts for 89% of the exposure in this module; and
- life expense risk is the second largest exposure within this module.



C.1.2 Change in life underwriting risk over the period

The table below considers the change in the life underwriting risk over the period.

£m	Life underwriting risk capital requirement based on diversified risk*		Change
	31 December 2024	31 December 2023	
Mortality risk	1	1	-
Lapse risk	313	242	71
Life expense risk	39	51	(12)
Life catastrophe risk	-	-	-
Life underwriting risk SCR	**353**	**294**	**59**

**After intra-module diversification applied*

The life underwriting risk SCR has increased over the year. The main changes in the risk profile for the life underwriting risk module are as follows:

- increase in lapse risk driven by the increase in AuA, and the associated increase in the present value of future profits (from the positive net client cash flow and positive equity market movement), leading to a greater exposure to mass lapse risk; and
- the expense risk has decreased, benefitting from the lower than anticipated expenses incurred by the Company.

C.1.3 Risk mitigation

The Company manages and mitigates each of the following life underwriting risks as described below:

Lapse risk

Lapse risk is a feature of the unit-linked product offering and is managed through product design, focusing on customer service and customer outcomes. Persistency statistics and customer metrics are monitored regularly. Detailed persistency analysis is carried out annually at a product level. Products are subject to periodic review by the Platform Product and Customer Forum to ensure that they remain appropriate for their target markets.

Life expense risk

Expense risk is managed through budget control and cost discipline, balanced against the need to ensure sufficient resources are available to achieve the Company's strategic aims.

Expense levels are monitored regularly against budgets and forecasts. An allocation model is used to allocate shared business costs to individual legal entities, including QLPL, based on agreed cost drivers. These drivers are periodically reviewed to ensure that they are in line with services that each legal entity is receiving.

Some products' structures include maintenance charges. These charges are reviewed annually in light of changes in maintenance expense levels and the market level of inflation. This review may result in changes in charge levels.

Mortality risk

Mortality risk is mitigated through an external reinsurance arrangement. For the investment bond business that offers the capital protection death benefit feature, risk charges are applied to meet the expected costs of the insured benefits. Retained mortality risk is not significant.

C.1.4 Risk concentration

There are no material concentrations of lapse, expense, and mortality risks.

C.2 Market risk

Market risk is the risk of an adverse financial impact arising from the changes in values of financial assets or financial liabilities as a result of changes in the value of equities, government and corporate bonds, foreign exchange rates, and property values. The nature of the Company's unit-linked product offerings means the main market risks are borne by customers as a result of the use of unit-linked product structures. The majority of retained market risk for the Company relates to second-order market risk exposures on asset-based revenues, which are driven by the value of AuA.

The key market risk exposures for the Company are as follows:

Equity risk

Equity market risk is a significant risk since a large proportion of the assets underlying unit-linked funds held for the benefit of policyholders is invested in equity portfolios, from which the Company receives asset-based revenues. The Company has no material holdings of equities within shareholders' funds.

The capital requirement for equity risk reflects the potential loss of future asset-based revenues resulting from returns on equity assets falling below the levels assumed in the calculation of technical provisions.

Currency risk

Currency risk is the risk that movements in currency exchange rates result in reductions in the emerging revenues or increases in expenses denominated in foreign currencies.

Currency risk arises through changes in the value of AuA due to currency exchange rate movements, which results in changes in the value of future asset-based revenues.

Interest rate risk

Interest rate risk is the risk that changes in interest rates, both in the short term and in the longer term, result in changes in the expected value of future revenues and expenses. Changes in interest rates directly impact income that is interest rate linked. Interest rates also affect the unit growth assumptions, which in turn affect the projected asset-based revenues.

Changes in interest rates result in changes to the value of government and corporate bond assets within unit-linked funds. Changes in the value of these assets results in changes to expected future asset-based revenues.

Changes in the interest rate yield curve also result in changes to the discount rates used to value future revenues and expenses in the calculation of technical provision.

Spread risk

A portion of the assets underlying unit-linked funds is invested in corporate bonds. These bonds are exposed to the risk of increases in credit spreads, which would result in a fall in the value of corporate bonds. This would result in a reduction in the Company's expected future asset-based revenues.

The Company has no material holdings of corporate bonds within shareholders' funds.

C.2.1 Market risk as at 31 December 2024

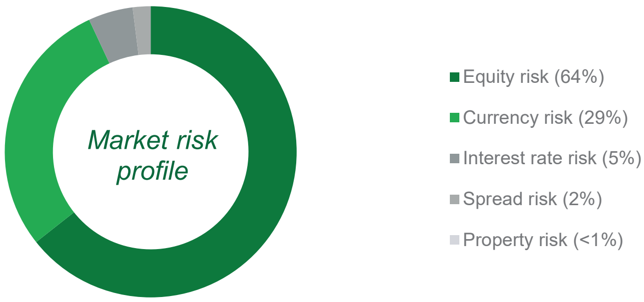
Market risk is measured through the following approaches:

- The capital requirement for each market risk exposure is calculated using the Standard Formula.
- Sensitivity testing is performed in respect of market risks in order to determine the impact of market movements on the value of Own Funds, the SCR and the solvency ratio.
- Scenario testing is performed to assess the impact of a severe economic downturn arising over the business planning period.

QLPL's market risk profile is derived from the Standard Formula 1-in-200 year market stresses before allowing for the impact of diversification.

The exposure for this module is £353 million after intra-module diversification of 21% (i.e. allowance for diversification between market risks). The pie chart below sets out the drivers of the £353 million market risk for QLPL.

Equity risk is the top risk within the market risk module. It accounts for 65% of the exposure in this module. Currency risk is the second largest exposure within this module.



C.2.2 Change in the market risk over the period to 31 December 2024

The table below considers the change in the market risk over the period.

£m	Market risk capital requirement based on diversified risk*		Change
	31 December 2024	31 December 2023	
Interest rate risk	14	13	1
Equity risk	230	174	57
Property risk	2	1	1
Spread risk	15	6	9
Currency risk	91	78	13
Market risk SCR	**353**	**273**	**79**

**After intra-module diversification applied*

Equity risk

The impact of loss of future revenue under a 1-in-200 year equity stress for QLPL is based on the prescribed equity stress of 39% plus PRA symmetric adjustment for Type 1 equities and 49% plus symmetric adjustment for Type 2 equities.

Equity risk has increased due to the increase in AuA, driven by the positive net client cash flow and the rise in equity markets over 2024. The change in the Standard Formula symmetric adjustment factor, from -0.06% (based on PRA symmetric adjustment at year end 2023) to +3.06% (based on PRA symmetric adjustment at year end 2024), represents an additive increase in the equity shock by approximately 3.1% relative to year end 2023.

Currency risk

The positive net client cash flow and the increase in the equity market over 2024 have resulted in an increase in the policyholder AuA that are denominated in foreign currencies. This has resulted in an increase in the currency risk of the Company due to increased exposure.

Interest rate risk

The interest rate risk has increased slightly over 2024 mainly due to an overall increase in the size of the fixed interest portfolio for the linked assets, which has increased the exposure to movement in interest rates.

Spread risk

Spread risk has increased over 2024 due to the Company's increased exposure to unit-linked assets invested in the corporate bond portfolio, driven by the positive net client cash flow.

C.2.3 Risk mitigation

The Company's business is unit-linked pensions and investment bond business. The direct market risks are transferred to policyholders as a result of the use of unit-linked product structures. The Company does not offer investment guarantees or take on complex financial insurance risks. Market risk exposure on asset-based revenues is an accepted risk exposure.

C.2.4 Risk concentration

Policyholder funds are invested in a diversified portfolio of assets. The market risk concentration on policyholders' assets is immaterial.

Shareholder funds are deposited only in the permitted instruments set out in the Treasury Statement of Practice. The permitted instruments are bank call deposits and a range of money market funds. This provides diversification for shareholder assets and hence the market risk concentration on shareholder assets is not material.

C.3 Credit risk

Credit risk (counterparty default risk) is the risk that a party to a financial instrument will cause a financial loss to the Company by failing to discharge an obligation to repay cash or deliver another financial asset. The material risks faced by the Company relate to:

- the risk of default by banks and other financial institutions in respect of the investment of Company assets; and
- the risk of default by insurance intermediaries in respect of receivables.

C.3.1 Credit risk at 31 December 2024

QLPL's credit risk profile is derived from the Standard Formula 1-in-200 year credit event. At 31 December 2024, the risk capital requirement for this module is £26 million (2023: £17 million).

C.3.2 Change in credit risk over the period

The rise in credit risk is mainly due to an increase in the intragroup receivable.

C.3.3 Credit risk mitigation

Shareholders' assets are deposited only in the permitted instruments set out in the Treasury Statement of Practice. The permitted instruments are instant access bank accounts and permitted money market funds. 77% of shareholder funds are held in AAA-rated money market funds. The risk of default for these counterparties has been captured within the spread risk assessment (within the market risk module). The remaining 23% of shareholder funds are cash at banks with the percentage exposure by credit rating shown in the table below.

Rating	% Exposure (cash at bank)
AA	21%
A	79%

C.3.3.1 Risk concentration

Cash is held in a range of banks and money market funds. Counterparty limits are set by reference to the credit rating of the institution in order to diversify credit risk exposure and avoid excessive concentrations to individual counterparties.

C.4 Liquidity risk

Liquidity risk is the risk that assets cannot be realised in order to settle financial obligations as they fall due or that market conditions preclude the ability of the firm to trade in illiquid assets in order to maintain its Asset Liability Matching profile.

The Company is exposed to liquidity risks during the normal course of business where payments are made before related cash inflows are received from counterparties, causing a settlement timing impact. Such exposures are typically short-term in nature and minimum liquidity levels are maintained to cover any potential outflows arising from a severe but plausible liquidity stress scenario.

The Company maintains a Contingency Funding Plan which sets out the available liquidity sources, management actions for providing liquidity to the Company in the event that liquidity support is required and the roles and responsibilities of key personnel.

Liquidity risk mitigations are detailed in the main body of the Group SFCR. There is no significant concentration of liquidity risk within the Company.

C.5 Operational risk

C.5.1 Treatment of operational risks within the capital assessment

As at 31 December 2024, the Standard Formula capital requirement for this module is £12 million. This has not changed materially from prior year end. Operational risk mitigations and concentrations are detailed in the main body of the Group SFCR.

C.6 Other material risks

There are no other material risks to which the company is exposed.

C.7 Any other information

C.7.1 Risk sensitivity analysis

Scenario testing and sensitivity testing are performed on an annual basis to assess the resilience of QLPL to potential stresses and scenarios and to assist in determining the management actions which would be required to manage and mitigate the impacts of such events. Reverse stress testing is also performed to identify the point at which QLPL's business model could become unviable.

Sensitivity testing

QLPL carries out sensitivity testing to assess the impacts on the solvency position of changes in equity markets, interest rates, inflation rates, lapse rates and expense levels.

As at 31 December 2024, surplus capital above the SCR was £274 million. The following table shows the change in the value of surplus capital due to the key sensitivities which have been tested:

Sensitivity test £m	Impact on level of surplus capital 31 December 2024
Equity markets: 25% market fall	(8)
Interest rates: 1% reduction in interest rates	(18)
Interest rates: 1% increase in interest rates	12
Inflation rates: 1% reduction in inflation rates	14
Inflation rates: 1% increase in inflation rates	(17)
Lapse rates: 10% mass lapse	(30)
Expenses: 10% increase in expense levels	(19)

The key underlying assumptions for these sensitivity tests include:

- The sensitivity stresses are assumed to take place instantaneously on 1 January 2025, the balance sheet and the SCR are immediately revalued.
- It is assumed that the Standard Formula symmetric adjustment of the equity capital charge would be updated to reflect the market fall under the equity market sensitivity.
- It is assumed that the fund managers automatically rebalance their investment portfolios following the initial sensitivity shock, such that the proportion of assets invested in each asset category remains unchanged before and after the market sensitivity.
- It is assumed that no management actions would be applied under these sensitivities. For instance, under the 10% mass lapse stress, the per-policy maintenance expense assumption increases to reflect the same level of maintenance expenses being spread over fewer policies.

Stress tests

Stress testing is performed on an annual basis to assess the resilience of the Company to severe but plausible events and to assist in determining the management actions which would be required to manage and mitigate the impacts of such events. Stresses are also used to validate that the Company is sufficiently capitalised in line with its financial risk appetite.

Stress testing is performed by adjusting the parameters used to project revenues and expenses over the business planning period and adjusting the capital plans. Stress testing parameters are typically set in order to assess the impacts of 1-in-50 year adverse events over the business planning period. Stress testing parameters are determined through analysis of market and internal experience data.

Stress testing demonstrated that the Company could withstand a 1-in-50 year adverse event whilst continuing to meet the solvency capital requirement, without recourse to the Group. This is after allowing for the potential management actions agreed by the Board under these stresses.

Reverse stress testing

Reverse stress testing is performed in order to identify the events which would result in the business model becoming unviable, resulting in the need to make material changes to the business strategy in order to continue as a going concern.

Section D. Valuation for solvency purposes

Solvency assets and liabilities have been calculated in accordance with the valuation principles set out in the UK solvency rules and guidance.

Summary balance sheet £m	**2024 IFRS value**	**Solvency adjustments**	**2024 Solvency value**	**2023 Solvency value**
Assets				
Collective investment undertakings	-	434	435	443
Assets held for index-linked and unit-linked funds	51,525	1	51,526	43,276
Contract costs	9	(9)	-	-
Insurance and intermediaries receivables	75	-	75	123
Receivables (trade, not insurance)	207	(3)	204	94
Cash and cash equivalents	556	(432)	123	134
Total assets	**52,371**	**(9)**	**52,363**	**44,070**
Liabilities				
Policyholder liabilities/technical provisions	51,758	(661)	51,097	42,908
Provisions other than technical provisions	-	-	-	-
Deferred tax liabilities	90	147	237	163
Insurance and intermediaries payables	229	-	229	268
Payables (trade, not insurance)	15	-	15	26
Total liabilities	**52,092**	**(515)**	**51,579**	**43,365**
Excess of assets over liabilities	**279**	**506**	**784**	**705**

The bases, methods and main assumptions used for the valuation of QLPL's assets, technical provisions and other liabilities are consistent with UK Solvency II. They are also consistent with those used in the prior year.

For the year ended 31 December 2024, the Company used IFRS as the basis of preparation for its financial statements.

D.1 Assets

D.1.1 Collective investment undertakings

For both solvency and IFRS reporting, Collective Investment Undertakings are measured at fair value, based on market prices at the reporting date, which are quoted prices in active markets for identical instruments. No significant estimates or judgements are used in the valuation of these investments.

There are allocation differences between solvency and IFRS values caused by differences in the definition of line items. For solvency purposes, the money market fund investments (£432 million) are included in the "Investment funds" line, whereas on the IFRS balance sheet these are included in "Cash and cash equivalents". This reclassification is based on maturity. For solvency purposes, any funds that are not accessible within 24 hours are classed as Investments rather than cash and cash equivalents.

For solvency purposes, accrued income on investments and securities (£1 million) is reclassified from receivables to investments and securities resulting in a difference in the "Collective investment undertakings" lines between the two bases.

D.1.2 Assets held for index-linked and unit-linked funds

Assets held for index-linked and unit-linked funds represent policyholder investments. For both IFRS and solvency purposes, 'Investments and securities' are valued largely based on quoted market prices, within active markets.

£13 million of this balance is invested in suspended funds. Although these funds are priced daily, they cannot be immediately traded and are therefore classified as level 3 assets within the fair value hierarchy.

D.1.3 Contract costs

Under IFRS, the incremental costs, including fee and commission expenses, that are directly attributable to securing either unit-linked contracts or other asset management services are deferred and recognised as contract costs. Contract costs are amortised through the Statement of comprehensive income over the period of the contract.

Recoverability of these costs, against future income streams, is regularly assessed and where these costs are deemed to be irrecoverable, they are immediately expensed through the Statement of comprehensive income. This is an IFRS specific accounting item which is not admissible for solvency purposes.

D.1.4 Insurance and intermediaries receivables

Insurance and intermediaries receivables represent amounts due from fund managers and policyholders. They are non-interest bearing and stated at amortised cost, less appropriate allowances for estimated irrecoverable amounts. This approximates to fair value due to the short-term nature of the balances.

The valuation basis applies for both IFRS and solvency purposes.

D.1.5 Receivables (trade, not insurance)

Other receivables are non-interest bearing and are stated at their amortised cost, less appropriate allowances for estimated irrecoverable amounts. This approximates to fair value due to the short-term nature of the balances.

The valuation basis applies for both IFRS and solvency purposes, although for solvency purposes, there is a subsequent reclassification (£3 million) of accrued income on investments and securities to the investments and securities category.

D.1.6 Cash and equivalents

Cash and cash equivalents are carried at amortised cost for both IFRS and solvency purposes and this approximates to fair value.

The key difference between IFRS and the solvency reporting is that money market fund investments are included in the “Investment funds” line for solvency purposes, whereas under IFRS they are included in “Cash and cash equivalents”.

D.2 Technical provisions

QLPL only has unit-linked business which is categorised as ‘Index-linked and unit-linked insurance’ under the UK Solvency II regime.

Technical provisions £m	Value under the UK Solvency II regime		
	31 December 2024	31 December 2023	Difference
Best estimate liabilities	51,025	42,845	8,180
Risk margin	72	62	10
Total technical provisions	**51,097**	**42,908**	**8,189**

The technical provisions for QLPL, of £51,097 million, have two components:

- best estimate liabilities of £51,025 million; and
- a risk margin of £72 million.

The best estimate liabilities represent the value of units credited to policyholders as at 31 December 2024 of £51,758 million less the value of expected future profits (net of expenses) from the unit-linked business of £734 million, based on the cash flow projection model.

The risk margin is determined as the present value of the cost of capital at 4% per annum held to cover non-hedgeable risks needed for the full run off of the in-force liabilities, discounted using the prescribed term-dependent risk-free interest rates. In the projection of capital, the prescribed risk tapering effect is included to accelerate the run-off of the capital for non-hedgeable risk.

D.2.1 Methodology applied in deriving the technical provisions

Best estimate valuation methodology

QLPL calculates the best estimate liability for all policies in force at the valuation date. The unit liability component of the best estimate liability is calculated based on the same methodology as under the IFRS reporting.

The value of future profits component of the best estimate liability is calculated as the prospective value of future expected cash flows on a policy-by-policy basis allowing for any surrender payments, transfer payments, income withdrawal, maintenance expenses, fund-based fees and other policy charges. The underlying assumptions are based on the best estimate for the future, which is largely based on the current business experience and any emerging trends. The unit fund growth rates (gross of investment charges) and the discount rates are set at the PRA prescribed risk-free interest rates.

The calculation is carried out gross of reinsurance recoverables and gross of all future tax other than future policyholder tax. The value of future shareholder tax is included within the deferred tax liability line of the balance sheet.

The CRA product (refer to section A.1.7.1 for details) is the only product which accepts regular premiums. For this product, the allowance for future premiums and benefits within the best estimate liability depends on the boundary of the contract. QLPL has concluded that short contract boundary conditions apply and therefore these policies have been modelled as if they were to become immediately paid-up with no allowance for future expected premiums.

QLPL has no material reinsurance recoverables.

D.2.2 Key assumptions in deriving the technical provisions

Relevant risk-free rate applied in deriving the technical provisions

QLPL used the PRA prescribed risk-free interest rate curve for the valuation of its technical provision at 31 December 2024. The unit fund growth rates (gross of investment charges) and the risk discount rates are set equal to the prescribed risk-free interest rates.

Any changes in risk-free interest rate curves have a broadly offsetting effect on the present value of the fund-based revenue component of the cash flow. This is because the impacts of changes in the unit growth rates and the discount rates cancel out when calculating the fund-based revenue in present value terms.

The present value of the expense component of the cash flow and the risk margin calculation are more sensitive to changes in interest rates due to the impact of discounting and the long-term nature of the business.

The movement in the risk-free interest rate directly affects the level of income associated with the projected retained interest on customers' cash. A decrease in the future interest rate will lead to a reduction in interest income to QLPL and hence will lead to an increase in the best estimate liability value.

Over 2024, the prescribed GBP-based risk-free interest rates have increased for most of the future durations.

Persistency

Persistency assumptions include full surrender/transfer assumptions and partial withdrawal assumptions, which impact the expected outstanding duration of the business and hence are an important driver for the expected future cash flows within the technical provisions calculation.

The surrender/transfer and partial withdrawal assumptions are set with reference to recent experience in QLPL, allowing for any emerging trends. Surrender/transfer assumptions vary by product type and policy duration. The assumptions are based on a weighted average of historical observed experience.

The most recent experience investigation shows an overall slightly higher rates of surrenders/transfers for the pension product in comparison to the assumptions at the end of 2023. Hence the inclusion of the most recent experience on average has increased the surrender/transfer rates slightly, leading to a small increase in the best estimate liability for QLPL. There is broadly no change to the overall surrender rates for the investment bond product in 2024.

The partial withdrawal experience over 2024 for the pension product is slightly higher than the assumptions at the end of 2023. This could be due to high inflation rates over 2021-2023 resulting in pensioners withdrawing larger proportions of their pension savings in order to keep up with the higher cost of living. The inclusion of the most recent partial withdrawal experience leads to a small increase in the partial withdrawal assumption for the year end 2024 valuation. As a result, the best estimate liabilities have increased. The partial withdrawal rates for the investment bond product have also increased slightly in 2024.

The experience will be continually monitored in 2025 to ensure that the best estimate assumptions remain appropriate for QLPL.

Expenses

Expense assumptions reflect the expected cost of future maintenance of the in-force business. The maintenance expense assumptions for QLPL include two components:

- an annual sterling amount-based assumption, known as the maintenance cost per policy, assumed to grow with future expense inflation; and
- a fee payable on the outsource arrangement, assumed to grow with the projected future assets under administration.

The sterling amount-based maintenance expense assumption is modelled on a per-policy basis and based on both actual observed experience (excluding acquisition expenses and one-off expenses) and projected expenses over the business planning period.

Expense assumptions are differentiated by product type.

The fee assumption for the outsource arrangement is set as a percentage of the assets under administration according to a pre-agreed charging structure. It is based on the contractual arrangement with the third-party platform provider.

The sterling amount-based per-policy expense assumption has decreased over 2024. This is driven by the reduction in the total maintenance expenses after adjusting for inflation and the growth in policy count over 2024, resulting in maintenance expense spreading more thinly over a larger number of policies.

The percentage-based outsource fee has decreased over 2024 driven by the increase in the platform assets under administration, caused by the increase in the net client cash flow and the rise in equity markets, therefore increasing the linked policyholder assets.

The changes in the expense assumptions have reduced the best estimate liabilities at year end 2024.

Expense inflation assumption

The maintenance cost per-policy assumption is projected to increase in line with the expense inflation rate assumption for the Company. The expense inflation assumption for the Company is set to be equal to the market-implied inflation rates, which are calculated as the difference between the Bank of England's fixed gilt yields and the index-linked gilt yields. Previously, the expense inflation assumption contained an additional margin of 0.5% above the projected RPI rates. Based on analysis, this additional margin is no longer necessary and hence is removed for the year end 2024 valuation.

The expense inflation assumptions have reduced overall, which has led to a reduction in the best estimate liability value at year end 2024.

Mortality

Mortality assumptions are not material for the Company after taking into account the low level of the additional sum assured. No change is made to the mortality assumptions at year end 2024.

D.2.3 Uncertainty associated with the value of technical provisions

Sensitivity tests on the assumptions are carried out to ensure the uncertainties are well understood and incorporated in capital and risk management of the business.

The Company only has unit-linked business. For unit-linked business, the unit-liability component of the best estimate liability represents the value of units credited to policyholders. Therefore, in absolute terms, there is very limited uncertainty regarding the value assigned as the valuation does not require the application of assumptions or judgement.

The value of future profits component of the best estimate liability represents the value of future revenues (net of expenses) from the unit-linked business, based on the cash flow projection model and is equivalent to future product charges (income) less future expenses less future claims in excess of unit reserves. This component of technical provisions therefore carries greater uncertainty, principally driven by:

- economic uncertainty relating to future income from unit funds, for example, higher-than-expected future surrender experience will result in lower future asset-based revenues and lower future profits. This will cause the best estimate liabilities to increase; and
- uncertainty relating to future administration costs for servicing the in-force policies, for example, higher-than-expected future expenses to service the in-force business will result in lower future profits. This will cause the best estimate liabilities to increase.

The best estimate liabilities component of technical provisions and its inherent risk profile also have a second-order effect on the size of the risk margin.

D.2.4 Differences between solvency and IFRS bases, methods and assumptions

The table below provides a reconciliation of the technical provisions between the solvency and IFRS bases.

Liabilities	31 December 2024 £m
Gross IFRS investment contract liabilities	51,758
Adjustment for solvency purposes	(734)
Gross BEL (Liabilities to policyholders for solvency purposes)	**51,025**
Add risk margin	72
Technical provisions	**51,097**

QLPL prepares its statutory financial statements using IFRS. The IFRS value of technical provisions is £51,758 million which is based on the value of unit reserves, representing the unit-liability component of the best estimate liability on the solvency basis.

The differences in the value of technical provisions when moving from an IFRS basis to a solvency basis are as follows:

- **Adjustment for solvency purposes** – the ‘adjustment for solvency purposes’ reduces the technical provisions for unit-linked business by £734 million. This adjustment includes an allowance for future profits which is not included on an IFRS basis. This adjustment represents the recognition of future revenues net of expenses calculated based on a set of best estimate assumptions.
- **Addition of risk margin** – the addition of the risk margin increases the technical provisions by £72 million compared to the IFRS basis where there is no risk margin.

D.3 Other liabilities

Other liabilities 31 December 2024	Solvency £m	IFRS £m	Difference £m
Deferred tax liabilities	237	90	147
Insurance and intermediaries payables	229	229	-
Payables (trade, not insurance)	15	15	-
Total other liabilities	**481**	**334**	**147**

The table above shows the value of other liabilities. This section covers a description of the bases, methods and main assumptions used for solvency valuation purposes compared to the approach taken to their valuation in the financial statements.

D.3.1 Specific items

Most liabilities that are not technical provisions are valued in accordance with IFRS in both the solvency balance sheet and the financial statements.

‘Insurance and intermediaries payables’ represent amounts due to fund managers and policyholders. This balance together with ‘Payables (trade, not insurance)’ are non-interest bearing and are stated at their amortised cost. This is not materially different to cost and approximates to fair value for both IFRS and solvency purposes, due to the short-term nature of the balances. As a result, no deviation risk has been applied. No adjustments or judgements are made for valuation purposes.

D.3.2 Deferred tax liabilities

During 2024, a deferred tax liability was recognised under IFRS primarily due to capital gains made during the year. The deferred tax liability (“DTL”) in the solvency balance sheet represents additional tax due from future surplus emerging on solvency basis over the run-off of the business.

This is calculated by computing the tax impact of the items bridging between IFRS net assets and net assets for solvency purposes and then applying this impact to the DTL as reported in the financial statements.

Material items that need to be allowed for or removed in stepping between the IFRS and the solvency basis are:

- removal of the DTL on the IFRS contract cost;
- the recognition of a DTL on future profits for solvency purposes which is not relevant on the IFRS basis; and
- the recognition of deferred tax asset (“DTA”) on the risk margin since this is a solvency-specific requirement and not relevant for IFRS.

D.4 Alternative methods for valuation

For further details related to alternative valuation methods, refer to the main document.

D.5 Any other information

No other information on QLPL’s valuation for solvency purposes was considered sufficiently material to require disclosure in this section.

Section E. Capital management

E.1 Own funds

E.1.1 Management of capital over the reporting period

QLPL Capital Management Strategy

Quilter operates a robust capital management framework to ensure the Company is able to provide a sufficient level of protection for customers and meet applicable regulatory requirements and shareholder expectations. Under the Group capital management framework, QLPL has set its solo solvency target to withstand significant stress events and still meet the solo regulatory capital requirements. The level of severity of the event corresponds to the Company's risk appetite.

During the year, the capital position for QLPL was monitored regularly through the Group Financial Risk Management Committee. On a quarterly basis, the solvency position was reported against its risk appetite to the Board and the Board Risk Committee.

The capital position of QLPL is also monitored regularly against its forecast within the Finance department. The capital position is based on a combination of actual and estimated information (based on appropriate drivers such as market levels and new business volumes). This provides an early warning system that will detect any unexpected deterioration in the solvency position of the entity.

Based on the year end 2024 solvency results, it has been anticipated that the QLPL Board will declare a dividend of £60 million to its parent company, Quilter UK Holding Limited, in 2025. This dividend is deducted from the value of the own funds as at 31 December 2024 as a 'foreseeable dividend' wherever it is stated within the document.

E.1.2 Analysis of change (own funds, SCR and MCR)

The table below summarises the change, by tier, of own funds, SCR and Minimum Capital Requirement ("MCR") for QLPL.

£m	31 December 2024		31 December 2023		Change	
	Solvency	IFRS	Solvency	FRS 101	Solvency	IFRS/FRS 101
Assets	52,363	52,371	44,070	44,076	8,292	8,295
Liabilities	51,579	52,092	43,364	43,739	8,214	8,353
Excess Funds	**784**	**279**	**705**	**337**	**79**	**(58)**
Basic own funds	724		650		74	
Basic own funds adjustments	-		-		-	
Ancillary own funds	-		-		-	
Available own funds	**724**		**650**		**74**	
Tier 1	724		650		74	
Tier 2	-		-		-	
Tier 3	-		-		-	
Eligible own funds	**724**		**650**		**74**	
Eligible own funds	724		650		74	
Solvency capital requirement	450		304		146	
Surplus (deficit)	**274**		**346**		**(73)**	
Eligible own funds as % of SCR	**161%**		**214%**		**(53%)**	
MCR	**202**		**137**		**66**	
Eligible own funds as % of MCR	**357%**		**476%**		**(118%)**	

Available own funds for year end 2024 are £724 million (2023: £650 million), made up of £102 million share capital and £622 million of reconciliation reserve, both of which are Unrestricted Tier 1 own funds.

The increase in own funds during the year of £74 million is mainly driven by a combination of effect including strong business inflow, strong equity market performance and positive year end assumption changes.

The SCR at 31 December 2024 is £450 million, compared to £304 million in the prior year. The increase in SCR is discussed in detail in section E.2.3 below. The solvency coverage ratio decreased by 53% in the year (2024: 161% vs. 2023: 214%).

QLPL has retained sufficient capital to cover both the MCR and SCR over the period and is therefore compliant with the SCR and MCR requirements.

E.1.2.1 Analysis of change from IFRS equity to basic own funds

	31 December 2024 £m
IFRS equity	**279**
Revaluation of technical provisions	661
Removal of contract costs	(9)
Adjust for deferred tax arising from differences in timing of profit recognition	(147)
Net assets for solvency purposes	**784**
Foreseeable dividend	(60)
Total own funds	**724**

The table above covers the quantitative differences between equity as shown in the financial statements and the excess of assets over liabilities as calculated for solvency purposes.

Specifically, these adjustments are:

- the addition of future anticipated profits on solvency basis, not included under IFRS, together with the addition of the risk margin as this is a requirement on a solvency basis and not relevant for IFRS;
- contract costs are not included within basic own funds;
- deferred tax arising from differences in the timing of profit recognition between IFRS and solvency basis; and
- dividends that are foreseeable at the reporting date are deducted from Tier 1 own funds. The regulatory guidelines on classification of own funds provide that a dividend is foreseeable at the latest when it is declared or approved by the Board regardless of any requirement for approval at the annual general meeting.

Management is permitted to deduct a planned dividend from own funds prior to Board approval, in cases where it is likely that approval will be granted. Based on discussion with management, and in order to avoid temporary fluctuations in QLPL's solvency position, the eligible own funds have been reduced by the amount of the final dividend of £60 million expected to be declared by the Board and payable during 2025.

E.1.2.2 Reconciliation reserves

The table below shows that own funds are made up of Ordinary Share capital of £102 million and reconciliation reserves of £622 million.

£m	31 December 2024	31 December 2023
Share Capital	102	102
Reconciliation reserve	622	548
Available own funds	**724**	**650**

The reconciliation reserve equals the total excess of assets over liabilities, after deducting share capital and planned dividends as described above.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Detail on the capital requirements for QLPL

£m	Standard Formula or Internal Model	31 December 2024	31 December 2023	Change
Available own funds	**-**	**724**	**650**	**74**
Solvency capital requirement	**-**	**450**	**304**	**146**
Market risk SCR module*	Standard Formula	353	273	79
Life underwriting risk SCR module*	Standard Formula	353	294	59
Operational risk SCR module	Standard Formula	12	12	-
Credit risk SCR module*	Standard Formula	26	17	9
Diversification	-	(165)	(130)	(35)
Allowance for DTL (loss-absorbing capacity of deferred tax) offset	-	(129)	(163)	34
Surplus	**-**	**274**	**346**	**(73)**
Eligible own funds as % of SCR	**-**	**161%**	**214%**	**(53%)**
Minimum capital requirement	**-**	**202**	**137**	**66**
Eligible own funds as % of MCR	**-**	**357%**	**476%**	**(118%)**

** After intra-module diversification applied.*

QLPL calculates the SCR using the Standard Formula as set out in the UK Solvency II rules.

E.2.2 Calculation of MCR

The MCR is calculated using a formulaic approach subject to an overall minimum and a ‘corridor’ of 25% of the SCR and of 45% of SCR. For QLPL, 45% of the SCR is the ‘biting’ constraint for the MCR calculation.

E.2.3 Explanation for material changes to SCR and MCR

Changes to MCR

During 2024, the MCR increased by £66 million.

The MCR is driven by the size of technical provisions and SCR and hence its movements are directly related to movements within these components.

Changes to SCR

During 2024, the SCR increased by £146 million. The key components of the change include:

- The market risk component of SCR (after intra-module diversification is applied) has increased by £79 million (see table E2.1). This is mainly driven by:
  - the rise in AuA due to positive net client cash flow and equity market growth over 2024, which have resulted in higher projected future asset-based revenues that are subject to market risks; and
  - the change in the Standard Formula symmetric adjustment has increased the equity stresses applied at year end 2024.
- The life underwriting risk component of SCR (after intra-module diversification is applied) has increased by £59 million over 2024 (see table E2.1). This is mainly driven by the increase in lapse risk from the rise in the AuA, which has resulted in an increase in the projected asset-based revenues. The expense risk SCR has decreased slightly over 2024.
- The Standard Formula operational risk SCR for QLPL has remained flat over 2024.
- The credit risk SCR has increased by £9 million due to a rise in the intragroup balance.
- The loss-absorbing capacity of deferred taxes (“LACDT”) has decreased by £34 million mainly due to a change in operational policy which has resulted in the exclusion of some components of the DTL from the loss-absorbency recognition.

There are net deferred tax liabilities on the Company base solvency balance sheet as at 31 December 2024. The following individual deferred tax assets are netted against deferred tax liabilities within the QLPL balance sheet based on the relevant accounting standard (IAS 12):

- £16 million DTA on the Risk Margin introduced by the UK Solvency II regime;
- £6 million DTA relating to historical trading losses brought forward; and
- £2 million DTA relating to deferred acquisition expenses (spread over seven years for tax purposes).

All of the DTA's are recoverable through the reversal of taxable temporary differences on which the DTL is recognised on the base balance sheet for solvency purpose.

The loss-absorbing capacity of deferred taxes reduces QLPL SCR by £129 million at 31 December 2024. The amount of LACDT for QLPL represents the reduction in its DTL under the 1-in-200 year stressed scenario. QLPL has not recognised any net deferred tax assets nor any tax carry-backs under the 1-in-200 year stressed scenarios for the purpose of assessing the amount of LACDT.

E.3 Differences between the Standard Formula and any internal model used

No internal model or partial model has been used in the calculation of the SCR for the Group and its insurance subsidiaries.

E.4 Non-compliance with the MCR and SCR

The company is compliant with the SCR and MCR requirements throughout 2024.

E.5 Any other information

No other information on QLPL's capital management was considered sufficiently material to require disclosure in this section.

Appendix F.2.1 Quantitative Reporting Templates (“QRTs”) – QLPL

This appendix contains the following QRTs applicable to QLPL at 31 December 2024, as required under UK Solvency II rules. Any QRTs required by the regulations that are excluded from this list are not relevant to QLPL.

1. IR.02.01.02 Balance sheet
2. IR.05.02.01 Premiums, claims and expenses by country (unaudited)
3. IR.05.03.02 Life income and expenditure (unaudited)
4. IR.12.01.02 Life technical provisions
5. IR.23.01.01 Own funds
6. IR.25.04.21 Solvency Capital Requirement
7. IR.28.01.01 Minimum Capital Requirement

All figures are presented in £000s with the exception of ratios that are expressed as percentages.

F.2.1.1 IR.02.01.02 Balance Sheet £000		**Solvency II value**
		C0010
Assets		
Goodwill	**R0010**	
Deferred acquisition costs	**R0020**	
Intangible assets	**R0030**	-
Deferred tax assets	**R0040**	-
Pension benefit surplus	**R0050**	-
Property, plant & equipment held for own use	**R0060**	-
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	434,609
Property (other than for own use)	**R0080**	-
Holdings in related undertakings, including participations	**R0090**	-
Equities	**R0100**	-
Equities – listed	**R0110**	-
Equities – unlisted	**R0120**	-
Bonds	**R0130**	-
Government Bonds	**R0140**	-
Corporate Bonds	**R0150**	-
Structured notes	**R0160**	-
Collateralised securities	**R0170**	-
Collective Investments Undertakings	**R0180**	434,609
Derivatives	**R0190**	-
Deposits other than cash equivalents	**R0200**	-
Other investments	**R0210**	-
Assets held for index-linked and unit-linked contracts	**R0220**	51,525,786
Loans and mortgages	**R0230**	-
Loans on policies	**R0240**	-
Loans and mortgages to individuals	**R0250**	-
Other loans and mortgages	**R0260**	-
Reinsurance recoverables from:	**R0270**	-
Non-life and health similar to non-life	**R0280**	-
Life and health similar to life, excluding health and index-linked and unit-linked	**R0315**	-
Life index-linked and unit-linked	**R0340**	-
Deposits to cedants	**R0350**	-
Insurance and intermediaries receivables	**R0360**	74,806
Reinsurance receivables	**R0370**	61
Receivables (trade, not insurance)	**R0380**	204,355
Own shares (held directly)	**R0390**	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	-
Cash and cash equivalents	**R0410**	123,461
Any other assets, not elsewhere shown	**R0420**	-
Total assets	**R0500**	**52,363,078**

F.2.1.1 IR.02.01.02 Balance Sheet £000		Solvency II value
		C0010
Liabilities		
Technical provisions – total	R0505	51,097,112
Technical provisions – non-life	R0510	-
Technical provisions – life	R0515	51,097,112
Best Estimate – total	R0542	51,024,786
Best Estimate – non-life	R0544	-
Best Estimate – life	R0546	51,024,786
Risk margin – total	R0552	72,326
Risk Margin – non-life	R0554	-
Risk Margin – life	R0556	72,326
Transactional (TMTP) – life	R0565	-
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	406
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	237,012
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	229,466
Reinsurance payables	R0830	18
Payables (trade, not insurance)	R0840	15,241
Subordinated liabilities	R0850	-
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**51,579,255**
Excess of assets over liabilities	**R1000**	**783,824**

F.2.1.2 IR.05.02.01 Premiums, claims and expenses by country £000

Home Country- life obligations

		Home country	Total Top 5 and home country
		C0220	C0280
Premiums written			
Gross	R1410	8,336,011	8,336,011
Reinsurers' share	R1420	14	14
Net	R1500	8,335,997	8,335,997
Premiums earned			
Gross	R1510	8,336,011	8,336,011
Reinsurers' share	R1520	13	13
Net	R1600	8,335,997	8,335,997
Claims incurred			
Gross	R1610	3,921,589	3,921,589
Reinsurers' share	R1620	25	25
Net	R1700	3,921,564	3,921,564
Net expenses incurred	R1900	80,940	80,940

F.2.1.3 IR.05.03.02 Life Income and expenditure £000		**Insurance with profit participation**	**Index-linked and unit-linked insurance**	**Life annuities**	**Non-life annuities**	**Other life insurance**	**Health insurance**	**Total life and health**
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**
Premiums written								
Gross direct business	**R0010**	-	8,336,011	-	-	-	-	**8,336,011**
Gross reinsurance accepted	**R0020**	-	-	-	-	-	-	**-**
Gross	**R0030**	-	8,336,011	-	-	-	-	**8,336,011**
Reinsurers' share	**R0040**	-	14	-	-	-	-	**13,582**
Net	**R0050**	-	8,335,997	-	-	-	-	**8,335,997**
Claims incurred								
Gross direct business	**R0110**	-	3,921,589	-	-	-	-	**3,921,589**
Gross reinsurance accepted	**R0120**	-	-	-	-	-	-	**-**
Gross	**R0130**		3,921,589					**3,921,589**
Reinsurers' share	**R0140**		25					**25**
Net	**R0150**	-	3,921,564	-	-	-	-	**3,921,564**
Expenses incurred								
Gross direct business	**R0160**	-	80,940	-	-	-	-	**80,940**
Gross reinsurance accepted	**R0170**	-	-	-	-	-	-	**-**
Gross	**R0180**	-	80,940	-	-	-	-	**80,940**
Reinsurers' share	**R0190**	-	-	-	-	-	-	**-**
Net	**R0200**	-	80,940	-	-	-	-	**80,940**
Other expenses	**R0300**							**689**
Transfers and dividends								
Dividends paid	**R0440**							**55,000**

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F.2.1.4 IR.12.01.02 Life technical provisions £000		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Best Estimate								
Gross Best Estimate (direct business)	**R0025**	-	51,024,786	-	-	-	-	**51,024,786**
Gross Best Estimate (reinsurance accepted)	**R0026**	-	-	-	-	-	-	-
Gross Best Estimate	**R0030**	-	51,024,786	-	-	-	-	**51,024,786**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**	-	-	-	-	-	-	**-**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	**R0090**		51,024,786					**51,024,786**
Risk Margin	**R0100**	-	72,326	-	-	-	-	**72,326**
Amount of the transitional on Technical Provisions								
TMTP- risk margin	**R0140**	-	-	-	-	-	-	**-**
TMTP- best estimate dynamic component	**R0150**	-	-	-	-	-	-	**-**
TMTP- best estimate non-dynamic component	**R0160**	-	-	-	-	-	-	**-**
TMTP- amortisation adjustment	**R0170**	-	-	-	-	-	-	**-**
Transitional Measure on Technical Provisions	**R0180**	-	-	-	-	-	-	**-**
Technical provisions- total	**R0200**	-	51,097,112	-	-		-	**51,097,112**

F.2.1.5 IR.23.01.01.01 Own funds £000		Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	102,000	102,000		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	621,824	621,824			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Total basic own funds	R0290	723,824	723,824	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	-
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	723,824	723,824	-	-	-
Total available own funds to meet the MCR	R0510	723,824	723,824	-	-	
Total eligible own funds to meet the SCR	R0540	723,824	723,824	-	-	-
Total eligible own funds to meet the MCR	R0550	723,824	723,824	-	-	
SCR	R0580	449,962				
MCR	R0600	202,483				
Ratio of Eligible own funds to SCR	R0620	161%				
Ratio of Eligible own funds to MCR	R0640	357%				

F.2.1.5 IR.23.01.01.02 Own funds £000		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	783,824
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	60,000
Deductions for participation in financial and credit institutions	R0725	-
Other basic own fund items	R0730	102,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	-
Reconciliation reserve	R0760	**621,824**

F.2.1.6 S.25.04.21 Solvency Capital Requirement £000

		C0100
Net of loss-absorbing capacity of technical provisions		
Market risk	R0140	352,908
Interest rate risk	R0070	24,866
Equity risk	R0080	253,894
Property risk	R0090	3,198
Spread risk	R0100	20,304
Concentration risk	R0110	-
Currency risk	R0120	145,428
Other market risk	R0125	-
Diversification within market risk	R0130	(94,782)
Counterparty default risk	R0180	25,859
Type 1 exposures	R0150	5,264
Type 2 exposures	R0160	21,676
Other counterparty risk	R0165	-
Diversification within counterparty risk	R0170	(1,081)
Life underwriting risk	R0270	352,562
Mortality risk	R0190	10,709
Longevity risk	R0200	-
Disability-Morbidity risk	R0210	-
Life-expense risk	R0220	61,041
Revision risk	R0230	-
Lapse risk	R0240	317,138
Life catastrophe risk	R0250	1,013
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	(37,339)
Total health underwriting risk	R0320	-
Health SLT risk	R0280	-
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	-
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	-

Non-life underwriting risk	**R0370**	-
Non-life premium and reserve risk (ex catastrophe risk)	**R0330**	-
Non-life catastrophe risk	**R0340**	-
Lapse risk	**R0350**	-
Other non-life underwriting risk	**R0355**	-
Diversification within non-life underwriting risk	**R0360**	-
Intangible asset risk	**R0400**	-
Operational and other risks	**R0430**	12,440
Operational risk	**R0422**	12,440
Other risks	**R0424**	-
Total before all diversification	**R0432**	876,971
Total before diversification between risk modules	**R0434**	743,770
Diversification between risk modules	**R0436**	(164,897)
Total after diversification	**R0438**	578,872
Loss-absorbing capacity of technical provisions	**R0440**	-
Loss-absorbing capacity of deferred taxes	**R0450**	(128,910)
Other adjustments	**R0455**	-
Solvency capital requirement including undisclosed capital add-on	**R0460**	449,962
Disclosed capital add-on – excluding residual model limitation	**R0472**	-
Disclosed capital add-on – residual model limitation	**R0474**	-
Solvency capital requirement including capital add-on	**R0480**	**449,962**
Biting interest rate scenario	**R0490**	Decrease
Biting life lapse scenario	**R0495**	Mass

F.2.1.7 IR.28.01.01 Minimum Capital Requirement **Linear formula component for life insurance and reinsurance obligations** **Total capital at risk for all life (re)insurance obligations**			**Net (of reinsurance/ SPV) best estimate and TP calculated as a whole**	**Net (of reinsurance/SPV) total capital at risk**
		C0040	**C0050**	**C0060**
MCRL Result	**R0200**	357,760		
Obligations with profit participation – guaranteed benefits	**R0210**		-	
Obligations with profit participation – future discretionary benefits	**R0220**		-	
Index-linked and unit-linked insurance obligations	**R0230**		51,024,786	
Other life (re)insurance and health (re)insurance obligations	**R0240**		-	
Total capital at risk for all life (re)insurance obligations	**R0250**			837,460

F.2.1.7 IR.28.01.01 Minimum Capital Requirement – Overall MCR calculation

		C0070
Linear MCR	**R0300**	357,760
SCR	**R0310**	449,962
MCR cap	**R0320**	202,483
MCR floor	**R0330**	112,490
Combined MCR	**R0340**	202,483
Absolute floor of the MCR	**R0350**	3,500
Minimum Capital Requirement	**R0400**	202,483

Appendix F.2.2 Group QRTs

This appendix contains the following QRTs applicable to Group at 31 December 2024, as required under UK Solvency II rules. Any annual Group QRTs referred to in UK Solvency II rules that are not relevant to the Group are excluded from this list.

1. IR.02.01.02 Balance sheet
2. IR.05.02.01 Premiums, claims and expenses by country
3. IR.05.03.02 Life income and expenditure
4. IR.23.01.04 Own funds
5. IR.25.04.22 Solvency Capital Requirement
6. IR.32.01.22 Undertakings in the scope of the Group

All figures are presented in £000s with the exception of ratios that are expressed as percentages.

F.2.2.1 IR.02.01.02 Balance sheet £000

		Solvency II value
		C0010
Assets		
Goodwill	**R0010**	
Deferred acquisition costs	**R0020**	
Intangible assets	**R0030**	-
Deferred tax assets	**R0040**	32,216
Pension benefit surplus	**R0050**	-
Property, plant & equipment held for own use	**R0060**	-
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	1,506,234
Property (other than for own use)	**R0080**	-
Holdings in related undertakings, including participations	**R0090**	593,375
Equities	**R0100**	-
Equities - listed	**R0110**	-
Equities - unlisted	**R0120**	-
Bonds	**R0130**	-
Government Bonds	**R0140**	-
Corporate Bonds	**R0150**	-
Structured notes	**R0160**	-
Collateralised securities	**R0170**	-
Collective Investments Undertakings	**R0180**	912,859
Derivatives	**R0190**	-
Deposits other than cash equivalents	**R0200**	-
Other investments	**R0210**	-
Assets held for index-linked and unit-linked contracts	**R0220**	51,525,786
Loans and mortgages	**R0230**	-
Loans on policies	**R0240**	-
Loans and mortgages to individuals	**R0250**	-
Other loans and mortgages	**R0260**	-
Reinsurance recoverables from:	**R0270**	-
Non-life and health similar to non-life	**R0280**	-
Life and health similar to life, excluding health and index-linked and unit-linked	**R0315**	-
Life index-linked and unit-linked	**R0340**	-
Deposits to cedants	**R0350**	-
Insurance and intermediaries receivables	**R0360**	74,806
Reinsurance receivables	**R0370**	61
Receivables (trade, not insurance)	**R0380**	92,681
Own shares (held directly)	**R0390**	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	-
Cash and cash equivalents	**R0410**	189,206
Any other assets, not elsewhere shown	**R0420**	-
Total assets	**R0500**	**53,420,990**

F.2.2.1 IR.02.01.02 Balance sheet £000

		Solvency II value
		C0010
Liabilities		
Technical provisions – total	**R0505**	51,097,112
Technical provisions – non-life	**R0510**	-
Technical provisions - life	**R0515**	51,097,112
Best Estimate – total	**R0542**	51,024,786
Best Estimate – non-life	**R0544**	-
Best Estimate - life	**R0546**	51,024,786
Risk margin - total	**R0552**	72,326
Risk margin – non-life	**R0554**	-
Risk margin – life	**R0556**	72,326
Transitional (TMTP) - life	**R0565**	-
Other technical provisions	**R0730**	-
Contingent liabilities	**R0740**	-
Provisions other than technical provisions	**R0750**	406
Pension benefit obligations	**R0760**	-
Deposits from reinsurers	**R0770**	-
Deferred tax liabilities	**R0780**	237,012
Derivatives	**R0790**	-
Debts owed to credit institutions	**R0800**	-
Financial liabilities other than debts owed to credit institutions	**R0810**	-
Insurance & intermediaries payables	**R0820**	229,466
Reinsurance payables	**R0830**	18
Payables (trade, not insurance)	**R0840**	185,781
Subordinated liabilities	**R0850**	199,818
Subordinated liabilities not in Basic Own Funds	**R0860**	-
Subordinated liabilities in Basic Own Funds	**R0870**	199,818
Any other liabilities, not elsewhere shown	**R0880**	-
Total liabilities	**R0900**	**51,949,613**
Excess of assets over liabilities	**R1000**	**1,471,377**

F.2.2.2 IR.05.02.01 Premiums, claims and expenses by country

Home Country – life obligations £000

		Home country	Total Top 5 and home country
		C0220	C0280
Premiums written			
Gross	R1410	8,336,011	**8,336,011**
Reinsurers' share	R1420	14	**14**
Net	R1500	8,335,997	**8,335,997**
Premiums earned			
Gross	R1510	8,336,011	**8,336,011**
Reinsurers' share	R1520	14	**14**
Net	R1600	8,335,997	**8,335,997**
Claims incurred			
Gross	R1610	3,921,589	**3,921,589**
Reinsurers' share	R1620	25	**25**
Net	R1700	3,921,564	**3,921,564**
Net expenses incurred	R1900	80,940	**80,940**

F.2.2.3 IR.05.03.02 Life income and expenditure
£000

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written								
Gross direct business	R0010	-	8,336,011	-	-	-	-	**8,336,011**
Gross reinsurance accepted	R0020	-	-	-	-	-	-	**-**
Gross	R0030	-	8,336,011	-	-	-	-	**8,336,011**
Reinsurers' share	R0040	-	14	-	-	-	-	**14**
Net	R0050	-	8,335,997	-	-	-	-	**8,335,997**
Claims incurred								
Gross direct business	R0110	-	3,921,589	-	-	-	-	**3,921,589**
Gross reinsurance accepted	R0120	-	-	-	-	-	-	**-**
Gross	R0130	-	3,921,589	-	-	-	-	**3,921,589**
Reinsurers' share	R0140	-	25	-	-	-	-	**25**
Net	R0150	-	3,921,564	-	-	-	-	**3,921,564**
Expenses incurred								
Gross direct business	R0160	-	80,940	-	-	-	-	**80,940**
Gross reinsurance accepted	R0170	-	-	-	-	-	-	**-**
Gross	R0180	-	80,940	-	-	-	-	**80,940**
Reinsurers' share	R0190	-	-	-	-	-	-	**-**
Net	R0200	-	80,940	-	-	-	-	**80,940**
Other expenses	R0300							**689**
Transfers and dividends								
Dividends paid	R0440							**72,797**

F.2.2.4 IR.23.01.04 Own funds £000		Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	**R0010**	114,669	114,669		-	
Non-available called but not paid in ordinary share capital at group level	**R0020**	-	-		-	
Share premium account related to ordinary share capital	**R0030**	58,144	58,144		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	**R0040**	-	-		-	
Subordinated mutual member accounts	**R0050**	-		-	-	-
Non-available subordinated mutual member accounts at group level	**R0060**	-		-	-	-
Surplus funds	**R0070**	-	-			
Non-available surplus funds at group level	**R0080**	-	-			
Preference shares	**R0090**	-		-	-	-
Non-available preference shares at group level	**R0100**	-		-	-	-
Share premium account related to preference shares	**R0110**	-		-	-	-
Non-available share premium account related to preference shares at group level	**R0120**	-		-	-	-
Reconciliation reserve	**R0130**	651,995	651,995			
Subordinated liabilities	**R0140**	199,818		-	199,818	-
Non-available subordinated liabilities at group level	**R0150**	-		-	-	-
An amount equal to the value of net deferred tax assets	**R0160**	-				–
The amount equal to the value of net deferred tax assets not available at the group level	**R0170**	-				–
Other items approved by the supervisory authority as basic own funds not specified above	**R0180**	-	-	-	-	-
Non available own funds related to other own funds items approved by supervisory authority	**R0190**	-	-	-	-	-
Minority interests (if not reported as part of a specific own fund item)	**R0200**	-	-	-	-	-
Non-available minority interests at group level	**R0210**	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	**R0220**	-				
Deductions						
Deductions for participations where there is non-availability of information	**R0250**	-	-	-	-	-
Deduction for participations included by using D&A when a combination of methods is used	**R0260**	-	-	-	-	-
Total of non-available own fund items	**R0270**	-	-	-	-	-
Total deductions	**R0280**	-	-	-	-	-
Total basic own funds after deductions	**R0290**	1,024,625	824,807	-	199,818	-

F.2.2.4 IR.23.01.04 Own funds £000		Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	**R0300**	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	**R0310**	-			-	
Unpaid and uncalled preference shares callable on demand	**R0320**	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	**R0330**	-			-	-
Letters of credit and guarantees	**R0340**	-			-	
Letters of credit and guarantees other	**R0350**	-			-	-
Supplementary members calls	**R0360**	-			-	
Supplementary members calls - other	**R0370**	-			-	-
Non available ancillary own funds at group level	**R0380**	-			-	-
Other ancillary own funds	**R0390**	-			-	-
Total ancillary own funds	**R0400**	-			-	-
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total	**R0410**	541,439	541,439	-	-	
Institutions for occupational retirement provision	**R0420**	-	-	-	-	-
Non regulated entities carrying out financial activities	**R0430**	-	-	-	-	
Total own funds of other financial sectors	**R0440**	541,439	541,439	-	-	-
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	**R0450**	-	-	-	-	-
Own funds aggregated when using the D&A and combination of method net of IGT	**R0460**	-	-	-	-	-
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	**R0520**	1,024,625	824,807	-	199,818	-
Total available own funds to meet the minimum consolidated group SCR	**R0530**	1,024,625	824,807	-	199,818	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	**R0560**	1,024,625	824,807	-	199,818	–
Total eligible own funds to meet the minimum consolidated group SCR	**R0570**	865,304	824,807	-	40,497	
Consolidated Group SCR	**R0590**	715,163				
Minimum consolidated Group SCR	**R0610**	202,483				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	**R0630**	227%				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	**R0650**	427%				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	**R0660**	1,566,065	1,366,247	-	199,818	-
SCR for entities included with D&A method	**R0670**	-				
Group SCR	**R0680**	715,163				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	**R0690**	219%				

F.2.2.4 IR.23.01.04 Own funds £000		C0060
Reconciliation reserve		
Excess of assets over liabilities	**R0700**	1,471,377
Own shares (held directly and indirectly)	**R0710**	-
Foreseeable dividends, distributions and charges	**R0720**	56,621
Deductions for participations in financial and credit institutions	**R0725**	541,439
Other basic own fund items	**R0730**	172,812
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**	-
Other non available own funds	**R0750**	48,509
Reconciliation reserve	**R0760**	651,995

F.2.2.5 IR.25.04.22 Solvency Capital Requirement £000

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	361,993
Interest rate risk	**R0070**	22,277
Equity risk	**R0080**	260,604
Property risk	**R0090**	3,198
Spread risk	**R0100**	26,272
Concentration risk	**R0110**	-
Currency risk	**R0120**	145,428
Other market risk	**R0125**	-
Diversification within market risk	**R0130**	(95,786)
Counterparty default risk	**R0180**	8,481
Type 1 exposures	**R0150**	7,214
Type 2 exposures	**R0160**	1,601
Other counterparty risk	**R0165**	-
Diversification within counterparty default risk	**R0170**	(334)
Life underwriting risk	**R0270**	352,562
Mortality risk	**R0190**	10,709
Longevity risk	**R0200**	-
Disability-Morbidity risk	**R0210**	-
Life-expense risk	**R0220**	61,041
Revision risk	**R0230**	-
Lapse risk	**R0240**	317,138
Life catastrophe risk	**R0250**	1,013
Other life underwriting risk	**R0255**	-
Diversification within life underwriting risk	**R0260**	(37,339)
Health underwriting risk	**R0320**	-
Health SLT risk	**R0280**	-
Health non SLT risk	**R0290**	-
Health catastrophe risk	**R0300**	-
Other health underwriting risk	**R0305**	-
Diversification within health underwriting risk	**R0310**	-
Non-life underwriting risk	**R0370**	-
Non-life premium and reserve risk	**R0330**	-
Non-life catastrophe risk	**R0340**	-
Lapse risk	**R0350**	-
Other non-life underwriting risk	**R0355**	-
Diversification within non-life underwriting risk	**R0360**	-
Intangible asset risk	**R0400**	-
Operational and other risks	**R0430**	12,440
Operational risk	**R0422**	12,440
Other risks	**R0424**	-

F.2.2.5 IR.25.04.22 Solvency Capital Requirement £000

		C0010
Total before all diversification	**R0432**	868,935
Total before diversification between risk modules	**R0434**	735,477
Diversification between risk modules	**R0436**	(155,363)
Total after diversification	**R0438**	580,114
Loss-absorbing capacity of technical provisions	**R0440**	-
Loss-absorbing capacity of deferred taxes	**R0450**	(128,910)
Other adjustments	**R0455**	-
Solvency capital requirement including undisclosed capital add-on	**R0460**	451,203
Disclosed capital add-on - excluding residual model limitation	**R0472**	-
Disclosed capital add-on - residual model limitation	**R0474**	-
Solvency capital requirement including capital add-on	**R0480**	**451,203**
Biting interest rate scenario	**R0490**	decrease
Biting life lapse scenario	**R0495**	mass
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	**R0500**	263,960
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	**R0510**	263,960
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	**R0520**	-
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial activities	**R0530**	-
Capital requirement for non-controlled participation requirements	**R0540**	-
Capital requirement for residual undertakings	**R0550**	-
Overall SCR		
Solvency capital requirement (consolidation method)	**R0555**	715,163
SCR for undertakings included via D and A	**R0560**	-
SCR for sub-groups included via D and A	**R0565**	-
Solvency capital requirement	**R0570**	**715,163**

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	54930092XIVK28RZ GM95GB00007	SPECIFIC	360 Dot Net Limited	Other	Ltd	Non-mutual		25.52%	25.52%	25.52%		Significant	25.52%	Yes		Other Method
GB	2138004C9BFB2UF XXV54	LEI	Beals Mortgage and Financial Services Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	35.00%	35.00%	35.00%		Significant	35.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60760	SPECIFIC	Blueprint Distribution Limited (in liquidation - 25 October 2023)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60761	SPECIFIC	Blueprint Financial Services Limited (in liquidation - 7 March 2024)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60762	SPECIFIC	Blueprint Organisation Limited (in liquidation - 7 March 2024)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
JE	213800PVPC9NZDE EHE86	LEI	C.I.P.M. Nominees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60765	SPECIFIC	Caerus Capital Group Limited (in liquidation - 7 March 2024)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60766	SPECIFIC	Caerus Holdings Limited (in liquidation - 7 March 2024)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60767	SPECIFIC	Caerus Wealth Limited (in liquidation - 7 March 2024)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	54930092XIVK28RZGM95GB60768	SPECIFIC	Caerus Wealth Solutions Limited (in liquidation - 7 March 2024)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60601	SPECIFIC	Charles Derby Group Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60602	SPECIFIC	Charles Derby Private Clients Limited (dissolved - 6 February 2025)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60603	SPECIFIC	Charles Derby Wealth Management Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800UI2P3SUZ12IZ87	LEI	Cheviot Capital (Nominees) Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB02402	SPECIFIC	Clinton Kennard Associates Ltd	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	35.00%	35.00%	35.00%		Significant	35.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60605	SPECIFIC	Falcon Financial Advice Limited (in liquidation - 18 March 2025)	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60606	SPECIFIC	Financial Services Advice & Support Limited (in liquidation - 25 October 2023)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60607	SPECIFIC	Forward Thinking Wealth Management Limited (dissolved - 6 February 2025)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	54930092XIVK28RZ GM95GB60742	SPECIFIC	IFA Services Holdings Company Limited (in liquidation - 13 October 2023)	Other	Ltd	Non-mutual		99.99%	100.00%	99.99%		Dominant	99.99%	Yes		Method 1: Adjusted equity method
GB	213800Y15T24T1GH P576	LEI	IFSL Titan Square Mile Alternative Strategies Fund	Other	Fund	Non-mutual		79.17%	100.00%	79.17%		Dominant	79.17%	Yes		Other Method
GB	213800VZRJEIFXLA OV72	LEI	IFSL Titan Square Mile Global Equities Fund	Other	Fund	Non-mutual		78.44%	100.00%	78.44%		Dominant	78.44%	Yes		Other Method
GB	213800ZLECTNLBP 7AP62	LEI	IFSL Titan Square Mile International Fixed Interest Fund	Other	Fund	Non-mutual		80.15%	100.00%	80.15%		Dominant	80.15%	Yes		Other Method
GB	2138009FQXVX4A6 W6F76	LEI	IFSL Titan Square Mile UK Equity Fund	Other	Fund	Non-mutual		75.36%	100.00%	75.36%		Dominant	75.36%	Yes		Other Method
GB	213800S3MTPMT4M 1RP52	LEI	Lighthouse Advisory Services Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60608	SPECIFIC	Lighthouse Benefits Limited (dissolved - 2 February 2025)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60609	SPECIFIC	Lighthouse Corporate Services Ltd	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60611	SPECIFIC	Lighthouse Financial Advice Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	2138003LGL2LLBHK 3C74	LEI	Lighthouse Group Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence: % capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Inclusion in the scope of Group supervision: Yes/No	Date of decision if excluded	Group solvency calculation: Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	54930092XIVK28RZ GM95GB60615	SPECIFIC	Lighthouse Support Services Limited (dissolved - 2 February 2025)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60616	SPECIFIC	Lighthouse Wealth Management Limited (in liquidation - 25 October 2023)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60621	SPECIFIC	LighthouseWealth Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60622	SPECIFIC	LighthouseXpress Limited (dissolved - 2 February 2025)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60623	SPECIFIC	Luceo Asset Management Limited (dissolved - 6 February 2025)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800AUTFO4VCL LVV14	LEI	MGTS Aequitas Defensive Fund	Other	Fund	Non-mutual		71.35%	100.00%	71.35%		Dominant	71.35%	Yes		Other Method
GB	213800BDE5J2FAQ VN303	LEI	MGTS Progeny Systematic ProFolio 40 Fund	Other	Fund	Non-mutual		59.48%	100.00%	59.48%		Dominant	59.48%	Yes		Other Method
GB	98450048BAC089R6 FI92	LEI	Nuwealth Ltd	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
DE	54930092XIVK28RZ GM95DE60379	SPECIFIC	Old Mutual Europe GmbH (in liquidation - 1 September 2022)	Other	GmbH	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
IE	213800CIYX1TZNK MD959	LEI	Pembroke Quilter (Ireland) Nominees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

Quilter

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	213800B6VW9XUXG C4597	LEI	Prima Cautious Fund	Other	Fund	Non-mutual		72.82%	100.00%	72.82%		Dominant	72.82%	Yes		Other Method
JE	213800LIAJCGBYO NII40	LEI	QGCI Nominees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60781	SPECIFIC	Quilpep Nominees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800IBELO35UV8 8W94	LEI	Quilter Business Services Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
IE	213800VLRZE4K61I EG21	LEI	Quilter Cheviot Europe Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Central Bank of Ireland	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800QK4ODGSL OMGC54	LEI	Quilter Cheviot Holdings Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
JE	2138006EK4WLNRQ NJ364	LEI	Quilter Cheviot International Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Jersey Financial Services Commission	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800QCI7X27H67 7R39	LEI	Quilter Cheviot Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GG	213800L9I5KX9S4E OL93	LEI	Quilter Cheviot PCC Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Guernsey Financial Services Commission	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZ GM95GB60776	SPECIFIC	Quilter CoSec Services Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	*Identification code and type of code of the undertaking*	*Type of code of the ID of the undertaking*	*Legal Name of the undertaking*	*Type of undertaking*	*Legal form*	*Category (mutual/ non mutual)*	*Supervisory Authority*	*% capital share*	*% used for the establishment of consolidated accounts*	*% voting rights*	*Other criteria*	*Level of influence*	*Proportional share used for group solvency calculation*	*Yes/No*	*Date of decision if excluded*	*Method used and under method 1, treatment of the undertaking*
C0010	**C0020**	**C0020**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0180**	**C0190**	**C0200**	**C0210**	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**
GB	54930092XIVK28RZ GM95GB60600	SPECIFIC	Quilter Financial Advisers Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800WQUE9YZK8 HEA17	LEI	Quilter Financial Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	2138006TCR57D9H EL218	LEI	Quilter Financial Planning Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800MJMK3EVA4 F9K89	LEI	Quilter Financial Planning Solutions Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800E5HAL75A8X TN31	LEI	Quilter Financial Services Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800Q8JFVPYO1 E8K19	LEI	Quilter Holdings Limited	Mixed financial holding company as defined in the Glossary	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Full consolidation
IM	213800L63P17QP2Z XE10	LEI	Quilter Insurance Company Limited	Non-life insurance undertaking	Ltd	Non-mutual	Isle of Man Financial Services Authority	100.00%	100.00%	100.00%		Dominant		No	18-May-21	No inclusion in the scope of group supervision as defined Group Supervision 2.3
GB	213800EMGTT74XZ B3H82	LEI	Quilter Investment Platform Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800KCVWJJ9LC 65Z02	LEI	Quilter Investment Platform Nominees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						*Inclusion in the scope of Group supervision*		*Group solvency calculation*
Country	*Identification code and type of code of the undertaking*	*Type of code of the ID of the undertaking*	*Legal Name of the undertaking*	*Type of undertaking*	*Legal form*	*Category (mutual/ non mutual)*	*Supervisory Authority*	*% capital share*	*% used for the establishment of consolidated accounts*	*% voting rights*	*Other criteria*	*Level of influence*	*Proportional share used for group solvency calculation*	*Yes/No*	*Date of decision if excluded*	*Method used and under method 1, treatment of the undertaking*
C0010	***C0020***	***C0020***	***C0040***	***C0050***	***C0060***	***C0070***	***C0080***	***C0180***	***C0190***	***C0200***	***C0210***	***C0220***	***C0230***	***C0240***	***C0250***	***C0260***
GB	213800PAR6JTK1UJ ZR37	LEI	Quilter Investors Absolute Return Bond Fund	Other	Fund	Non-mutual		66.26%	100.00%	66.26%		Dominant	66.26%	Yes		Other Method
GB	2138002V5I8CZSPR 1E96	LEI	Quilter Investors Asia Pacific (ex Japan) Equity Fund	Other	Fund	Non-mutual		67.39%	100.00%	67.39%		Dominant	67.39%	Yes		Other Method
GB	549300XPYNVPZWZ NCR60	LEI	Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity Fund	Other	Fund	Non-mutual		64.66%	100.00%	64.66%		Dominant	64.66%	Yes		Other Method
GB	213800DWWOBRI1 KIYG79	LEI	Quilter Investors Asia Pacific Fund	Other	Fund	Non-mutual		68.72%	100.00%	68.72%		Dominant	68.72%	Yes		Other Method
GB	549300CEC4QBHDF 50X18	LEI	Quilter Investors Bond 1 Fund	Other	Fund	Non-mutual		67.34%	100.00%	67.34%		Dominant	67.34%	Yes		Other Method
GB	549300IWVKI6RFP4 5X65	LEI	Quilter Investors Bond 3 Fund	Other	Fund	Non-mutual		97.27%	100.00%	97.27%		Dominant	97.27%	Yes		Other Method
GB	549300HG0J7HFEQ SWP81	LEI	Quilter Investors China Equity Fund	Other	Fund	Non-mutual		47.76%	100.00%	47.76%	Based on our assessment of voting rights	Dominant	47.76%	Yes		Other Method
GB	213800RP7WS2Y53 MZS04	LEI	Quilter Investors Cirilium Adventurous Blend Portfolio	Other	Fund	Non-mutual		34.63%	100.00%	34.63%	Based on our assessment of voting rights	Dominant	34.63%	Yes		Other Method
GB	213800J2241FFUNR 1C57	LEI	Quilter Investors Cirilium Adventurous Passive Portfolio	Other	Fund	Non-mutual		51.47%	100.00%	51.47%		Dominant	51.47%	Yes		Other Method
GB	213800IMNA1QZX5 P5U41	LEI	Quilter Investors Cirilium Adventurous Portfolio	Other	Fund	Non-mutual		41.68%	100.00%	41.68%	Based on our assessment of voting rights	Dominant	41.68%	Yes		Other Method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	2138001YYV9I3QQEUC80	LEI	Quilter Investors Cirilium Balanced Passive Portfolio	Other	Fund	Non-mutual		44.11%	100.00%	44.11%	Based on our assessment of voting rights	Dominant	44.11%	Yes		Other Method
GB	213800UCMZ1FU92G9E49	LEI	Quilter Investors Cirilium Balanced Portfolio	Other	Fund	Non-mutual		32.79%	100.00%	32.79%	Based on our assessment of voting rights	Dominant	32.79%	Yes		Other Method
GB	213800XU3K9CI49ZKF90	LEI	Quilter Investors Cirilium Conservative Blend Portfolio	Other	Fund	Non-mutual		37.40%	100.00%	37.40%	Based on our assessment of voting rights	Dominant	37.40%	Yes		Other Method
GB	213800Y29LKXG6MJ9X44	LEI	Quilter Investors Cirilium Conservative Passive Portfolio	Other	Fund	Non-mutual		41.31%	100.00%	41.31%	Based on our assessment of voting rights	Dominant	41.31%	Yes		Other Method
GB	213800OG8E1X8NBRDE70	LEI	Quilter Investors Cirilium Conservative Portfolio	Other	Fund	Non-mutual		37.18%	100.00%	37.18%	Based on our assessment of voting rights	Dominant	37.18%	Yes		Other Method
GB	2138001HMINU97ISQJ47	LEI	Quilter Investors Cirilium Dynamic Blend Portfolio	Other	Fund	Non-mutual		37.58%	100.00%	37.58%	Based on our assessment of voting rights	Dominant	37.58%	Yes		Other Method
GB	213800P8TYQFD1Q6TG48	LEI	Quilter Investors Cirilium Dynamic Passive Portfolio	Other	Fund	Non-mutual		45.59%	100.00%	45.59%	Based on our assessment of voting rights	Dominant	45.59%	Yes		Other Method
GB	2138009BMMAIP45Z6R07	LEI	Quilter Investors Cirilium Moderate Passive Portfolio	Other	Fund	Non-mutual		44.03%	100.00%	44.03%	Based on our assessment of voting rights	Dominant	44.03%	Yes		Other Method
GB	213800ZXL7T3EHRRBV90	LEI	Quilter Investors Corporate Bond Fund	Other	Fund	Non-mutual		76.01%	100.00%	76.01%		Dominant	76.01%	Yes		Other Method
GB	2138006QSR5C2MF8SR55	LEI	Quilter Investors Creation	Other	Fund	Non-mutual		39.14%	100.00%	39.14%	Based on our assessment of voting rights	Dominant	39.14%	Yes		Other Method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence: % capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Inclusion in the scope of Group supervision: Yes/No	Date of decision if excluded	Group solvency calculation: Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
			Adventurous Portfolio													
GB	213800WFFCO2CNAZH785	LEI	Quilter Investors Creation Balanced Portfolio	Other	Fund	Non-mutual		32.28%	100.00%	32.28%	Based on our assessment of voting rights	Dominant	32.28%	Yes		Other Method
GB	213800739LKMQBX4KD07	LEI	Quilter Investors Creation Conservative Portfolio	Other	Fund	Non-mutual		28.27%	100.00%	28.27%	Based on our assessment of voting rights	Dominant	28.27%	Yes		Other Method
GB	213800XF3R2S61HZ3633	LEI	Quilter Investors Creation Dynamic Portfolio	Other	Fund	Non-mutual		31.36%	100.00%	31.36%	Based on our assessment of voting rights	Dominant	31.36%	Yes		Other Method
GB	213800D4M5KG3CC75R76	LEI	Quilter Investors Creation Moderate Portfolio	Other	Fund	Non-mutual		30.89%	100.00%	30.89%	Based on our assessment of voting rights	Dominant	30.89%	Yes		Other Method
GB	2138003C2APJFEP58K32	LEI	Quilter Investors Diversified Bond Fund	Other	Fund	Non-mutual		63.54%	100.00%	63.54%		Dominant	63.54%	Yes		Other Method
GB	2138007FQPA6ZL61U129	LEI	Quilter Investors Emerging Markets Equity Fund	Other	Fund	Non-mutual		78.04%	100.00%	78.04%		Dominant	78.04%	Yes		Other Method
GB	54930060UMLXQIZ54386	LEI	Quilter Investors Emerging Markets Equity Growth Fund	Other	Fund	Non-mutual		64.49%	100.00%	64.49%		Dominant	64.49%	Yes		Other Method
GB	2138006B58JU3MJFUP39	LEI	Quilter Investors Emerging Markets Equity Income Fund	Other	Fund	Non-mutual		68.35%	100.00%	68.35%		Dominant	68.35%	Yes		Other Method
GB	549300PMV6MEIJ0JEG66	LEI	Quilter Investors Europe (ex UK) Equity Fund	Other	Fund	Non-mutual		63.20%	100.00%	63.20%		Dominant	63.20%	Yes		Other Method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						*Inclusion in the scope of Group supervision*		*Group solvency calculation*
Country	*Identification code and type of code of the undertaking*	*Type of code of the ID of the undertaking*	*Legal Name of the undertaking*	*Type of undertaking*	*Legal form*	*Category (mutual/ non mutual)*	*Supervisory Authority*	*% capital share*	*% used for the establishment of consolidated accounts*	*% voting rights*	*Other criteria*	*Level of influence*	*Proportional share used for group solvency calculation*	*Yes/No*	*Date of decision if excluded*	*Method used and under method 1, treatment of the undertaking*
C0010	***C0020***	***C0020***	***C0040***	***C0050***	***C0060***	***C0070***	***C0080***	***C0180***	***C0190***	***C0200***	***C0210***	***C0220***	***C0230***	***C0240***	***C0250***	***C0260***
GB	213800PR3AFORX7EVR43	LEI	Quilter Investors Europe (ex UK) Equity Growth Fund	Other	Fund	Non-mutual		66.22%	100.00%	66.22%		Dominant	66.22%	Yes		Other Method
GB	2138003W9DDHXLIAHT94	LEI	Quilter Investors Europe (ex UK) Equity Income Fund	Other	Fund	Non-mutual		67.85%	100.00%	67.85%		Dominant	67.85%	Yes		Other Method
GB	21380022ZIN2YQ1SFJ38	LEI	Quilter Investors Global Equity Absolute Return Fund	Other	Fund	Non-mutual		66.25%	100.00%	66.25%		Dominant	66.25%	Yes		Other Method
GB	549300HOGUZ0HWQEGD40	LEI	Quilter Investors Global Equity Value Fund	Other	Fund	Non-mutual		73.65%	100.00%	73.65%		Dominant	73.65%	Yes		Other Method
GB	54930017TI8ZYPMMGQ11	LEI	Quilter Investors Investment Grade Corporate Bond Fund	Other	Fund	Non-mutual		56.66%	100.00%	56.66%		Dominant	56.66%	Yes		Other Method
GB	549300LMN7CP5FGHL312	LEI	Quilter Investors Japanese Equity Fund	Other	Fund	Non-mutual		65.22%	100.00%	65.22%		Dominant	65.22%	Yes		Other Method
GB	549300BBKTGWZK4L2H55	LEI	Quilter Investors Limited	Alternative investment funds managers as defined in the Glossary	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	213800DLEQ18W8VE4R95	LEI	Quilter Investors Monthly Income and Growth Portfolio	Other	Fund	Non-mutual		43.78%	100.00%	43.78%	Based on our assessment of voting rights	Dominant	43.78%	Yes		Other Method
GB	213800T6SGV526FR4B59	LEI	Quilter Investors Monthly Income Portfolio	Other	Fund	Non-mutual		43.50%	100.00%	43.50%	Based on our assessment of voting rights	Dominant	43.50%	Yes		Other Method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	549300ONAX13EU46OE94	LEI	Quilter Investors Natural Resources Equity Fund	Other	Fund	Non-mutual		64.10%	100.00%	64.10%		Dominant	64.10%	Yes		Other Method
GB	213800DMV82AXR986P24	LEI	Quilter Investors North American Equity Fund	Other	Fund	Non-mutual		66.82%	100.00%	66.82%		Dominant	66.82%	Yes		Other Method
GB	213800IO1Y1TS3MQPB57	LEI	Quilter Investors Portfolio Management Limited (in liquidation - 7 March 2024)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	549300LOMSKYZ613DT64	LEI	Quilter Investors Precious Metals Equity Fund	Other	Fund	Non-mutual		64.73%	100.00%	64.73%		Dominant	64.73%	Yes		Other Method
GB	549300WYRK8RZE7Y2Q04	LEI	Quilter Investors Sterling Corporate Bond Fund	Other	Fund	Non-mutual		75.75%	100.00%	75.75%		Dominant	75.75%	Yes		Other Method
GB	549300YX1MR6Q3YER771	LEI	Quilter Investors Sterling Diversified Bond Fund	Other	Fund	Non-mutual		62.83%	100.00%	62.83%		Dominant	62.83%	Yes		Other Method
GB	213800OLBKDVTGAM8R79	LEI	Quilter Investors Timber Equity Fund	Other	Fund	Non-mutual		67.50%	100.00%	67.50%		Dominant	67.50%	Yes		Other Method
GB	213800SRXMXKA2KW1P52	LEI	Quilter Investors UK Equity 2 Fund	Other	Fund	Non-mutual		99.93%	100.00%	99.93%		Dominant	99.93%	Yes		Other Method
GB	213800DK3MLKROLL1O75	LEI	Quilter Investors UK Equity Fund	Other	Fund	Non-mutual		66.65%	100.00%	66.65%		Dominant	66.65%	Yes		Other Method
GB	549300KKX1ENOGJHXV69	LEI	Quilter Investors UK Equity Growth Fund	Other	Fund	Non-mutual		60.75%	100.00%	60.75%		Dominant	60.75%	Yes		Other Method

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	213800FENW23PIZNAV69	LEI	Quilter Investors UK Equity Income Fund	Other	Fund	Non-mutual		67.06%	100.00%	67.06%		Dominant	67.06%	Yes		Other Method
GB	549300VBVSCTTSZUBE06	LEI	Quilter Investors UK Equity Large-Cap Income Fund	Other	Fund	Non-mutual		62.60%	100.00%	62.60%		Dominant	62.60%	Yes		Other Method
GB	549300XGYV16P4XYOH92	LEI	Quilter Investors UK Equity Opportunities Fund	Other	Fund	Non-mutual		63.94%	100.00%	63.94%		Dominant	63.94%	Yes		Other Method
GB	213800L6GT3LK76DBT75	LEI	Quilter Investors US Equity Growth Fund	Other	Fund	Non-mutual		71.53%	100.00%	71.53%		Dominant	71.53%	Yes		Other Method
GB	213800DBMBIGM3NUHL50	LEI	Quilter Investors US Equity Income Fund	Other	Fund	Non-mutual		65.77%	100.00%	65.77%		Dominant	65.77%	Yes		Other Method
GB	549300Y457SLHL73LD79	LEI	Quilter Investors US Equity Small/Mid-Cap Fund	Other	Fund	Non-mutual		62.58%	100.00%	62.58%		Dominant	62.58%	Yes		Other Method
GB	2138003SPFZA4UV23165	LEI	Quilter Life & Pensions Limited	Life insurance undertaking	United Kingdom - companies limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Full consolidation
GB	213800Q4SK2C38JS7737	LEI	Quilter Mortgage Planning Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	213800AEJPZ1HTRO3W19	LEI	Quilter Nominees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60792	SPECIFIC	Quilter Pension Trustees Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
GB	54930092XIVK28RZGM95GB70573	SPECIFIC	Quilter Perimeter (GGP) Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
IM	54930092XIVK28RZGM95GB70570	SPECIFIC	Quilter Perimeter (IOM) Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
GB	54930092XIVK28RZGM95GB60796	SPECIFIC	Quilter Perimeter Holdings Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
GB	54930092XIVK28RZGM95GB70574	SPECIFIC	Quilter Perimeter Limited	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
GB	54930092XIVK28RZGM95GB70577	SPECIFIC	Quilter Perimeter UK Limited (in liquidation - 13 October 2023)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
GB	54930092XIVK28RZGM95	LEI	Quilter plc	Mixed financial holding company as defined in the Glossary	PLC	Non-mutual								Yes		Method 1: Full consolidation
GB	54930092XIVK28RZGM95GB60793	SPECIFIC	Quilter Private Client Advisers Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

F.2.2.6 IR.32.01.22
Undertakings in the scope of the Group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code and type of code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	213800N2H1KTJ6A6ZG13	LEI	Quilter UK Holding Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Full consolidation
GB	2138008CSNZIFM6YWE49	LEI	Quilter Wealth Limited	Credit institution, investment firm and financial institution	Ltd	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
DE	54930092XIVK28RZGM95DE60380	SPECIFIC	Skandia Retail Europe Holding GmbH (in liquidation - 1 September 2022)	Other	GmbH	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Adjusted equity method
GB	54930092XIVK28RZGM95GB60625	SPECIFIC	The Falcon Group Limited (in liquidation - 10 November 2022)	Credit institution, investment firm and financial institution	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60797	SPECIFIC	Think Synergy Limited (in liquidation - 26 March 2024)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules
GB	54930092XIVK28RZGM95GB60798	SPECIFIC	Violet No.2 Limited (in liquidation -19 March 2025)	Other	Ltd	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Yes		Method 1: Sectoral rules

Appendix F.3 Disclaimer

This report may contain certain forward-looking statements with respect to certain of Quilter plc's plans and its current goals and expectations relating to its future financial condition, performance and results.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Quilter plc's control including amongst other things, international and global economic and business conditions, the implications and economic impact of global conflicts, economic political uncertainty, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Quilter plc and its affiliates operate. As a result, Quilter plc's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Quilter plc's forward-looking statements.

Quilter plc undertakes no obligation to update the forward-looking statements contained in this report or any other forward-looking statements it may make.

Nothing in this report should be construed as a profit forecast.

Nothing in this report shall constitute an offer to sell or the solicitation of an offer to buy any securities.

Appendix F.4 Abbreviations and glossary

AuA	Assets under administration, which unless stated otherwise reflects gross AuA before intragroup eliminations
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIB	Collective Investment Bond
COO	Chief Operating Officer
CRA	Collective Retirement Account
CRO	Chief Risk Officer
D&A	Deduction and Aggregation
DTA	Deferred Tax Assets
DTL	Deferred Tax Liabilities
ESG	Environmental, Social and Governance
EU	European Union
FCA	The UK Financial Conduct Authority
FRC	The UK Financial Reporting Council
FRS 101	Financial Reporting Standard 101
FSMA	Financial Services and Markets Act 2000
GBP	British Pound Sterling
GDPR	General Data Protection Regulation
GFRMC	Group Financial Risk Management Committee
GGM	Group Governance Manual
ICARA	Internal Capital Adequacy and Risk Assessment
IFPR	Investment Firms Prudential Regime
IFRS	International Financial Reporting Standards as adopted in the United Kingdom
IOC	Investment Oversight Committee
ISA (UK)	International Standards on Auditing (UK)
IT	Information Technology
LACDT	Loss-absorbing capacity of deferred taxes
MCGSCR	Minimum Consolidated Group Solvency Capital Requirement
MCR	Minimum Capital Requirement under Solvency II
NCCF	Net Client Cash Flow
ORSA	Own Risk and Solvency Assessment
PRA	Prudential Regulation Authority
QLPL	Quilter Life & Pensions Limited
QRT	Quantitative Reporting Template
RPI	Retail Price Index
SCR	Solvency capital requirement
SFCR	Solvency and Financial Condition Report
SLT	Similar to Life Techniques
SMCR	Senior Managers and Certification Regime
SMF	Senior Management Functions
TCFD	Task Force on Climate-related Financial Disclosures
UK Solvency II	Solvency II capital regime as it applies in the United Kingdom

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